

The Creative Economy of the Pioneer Valley

Introduction

The Pioneer Valley of western Massachusetts is recognized as having an active and prominent cultural community and is home to many artists and creative businesses. These activities and enterprises are a significant source of employment and income for the region. However, the size and character of this “creative economy” has not been defined or compared to the state and nation as a whole. It is the task of this report to utilize an established framework to measure the creative economy in the Pioneer Valley and conduct this comparison. Specifically, this report provides the most recent data on the Pioneer Valley’s cultural enterprises and cultural workforce.



Located in the western portion of Massachusetts and composed of communities in Hampden, Hampshire, and Franklin counties, the Pioneer Valley is home to over 680,000 people. It is a diverse area, encompassing college towns, former industrial cities, a wide range of suburban environments, and many small, rural communities. Its regional identity has formed over its historical development as a corridor, linked by both the Connecticut River and a parallel road network including U.S. Route 5 and Interstate 91. In addition to its 14 colleges and universities, the region boasts many cultural institutions and other businesses that are leaders in a variety of industries. Furthermore, its proximity to the major metropolitan areas of Boston, Hartford, and New York City, as well as to Bradley International Airport, provides a rich exchange of culture, innovation, and talent.

The Research Framework

The definitions and overall research framework used for this analysis are taken from the New England Foundation for the Arts' (NEFA) 2007 report, "The Creative Economy: A New Definition." The purpose of this NEFA report was to analyze the creative economy in New England and to develop a standard methodology that could be used in any locality in the country and would allow comparisons across all geographies. The subject NEFA report addressed one of the key challenges of measuring the creative economy by defining the industries and occupations that contribute to it. As part of this definition, NEFA identified one set of occupations and enterprises that it determined to be part of the "cultural core," and another set as the "cultural periphery." (See Appendix A of NEFA report for a list of these occupations, at www.nefa.org/pubs/documents/CEReport2007_000.pdf.)

The cultural core includes occupations and industries that "focus on the production and distribution of cultural goods, services, and intellectual property." This definition of cultural core industries and occupations is recommended to be used consistently regardless of what area is being examined. This method allows for a reliable and comparable measure of creative economies. In addition, the NEFA report defined a cultural periphery, which could be modified to reflect the unique features of a locality's creative economy. However, these "peripheral" enterprises and occupations are not always wholly representative of the cultural component of the creative economy. While some of these industries produce cultural output, they are combined with others that do not. Data was collected for both the core and periphery in the Pioneer Valley, but this publication addresses only the core; all tables include only the "core" industries and occupations as defined by NEFA. (A copy of the comprehensive data results which include both the core and peripheral creative economy components is available from the Pioneer Valley Planning Commission at www.pvpc.org/resource_center/reports.shtml.)

Cultural Enterprises

A "cultural enterprise" is defined as a business or non-profit organization whose primary products are cultural goods, services, and/or intellectual property. Most of these enterprises employ creative workers, but they may also employ other types of staff such as sales representatives, accountants, administrators, and technicians. Non-creative workers in a cultural enterprise are counted because they contribute to this sector of the economy in terms of regional employment, sales and receipts, and other economic indicators. An assessment of cultural enterprise employment is useful as an overall indicator of the proportion of the total economy in the region that is made up of the creative sector.

In the aforementioned NEFA report, 2002 data from the U.S. Census Bureau's Economic Census was utilized to assess cultural enterprises in New England. However, for this report, data taken from both the U.S. Census Bureau's 2000 and 2005 County Business Patterns (CBP) was analyzed, since it provided more recent information, a comparison over time, and data available on an annual basis. The CBP data covers most economic activity in the United States, with the exception of self-employed individuals, employees of private households, railroad employees, agricultural production employees, and most government employees. To capture the significant number of self-employed creative workers, a supplemental data source was tapped and is discussed separately in this report. It is important to note that the CBP data has purposely suppressed some information in order to protect confidentiality where there are only a small number of businesses in a given industry. As a result, instead of providing the exact number of employees, the data is often presented as a range (for example, 20-99 employees). This occurred in many instances for the data applicable to the three counties of the Pioneer Valley.

Table 1: Cultural Enterprise Employment Ranges for the Pioneer Valley, Massachusetts, and the U.S.

CATEGORY	Hampden County Sub-Region	Hampshire County Sub-Region	Franklin County Sub-Region	Pioneer Valley	Massachusetts	United States
2005:						
Cultural Enterprise Employment	5,478 - 7,332	1,549 - 3,482	602 - 2,155	9,376 - 16,313	111,696 - 119,949	4,435,502
Percent of Total Employment	3.2% - 4.28%	2.59% - 5.82%	2.69% - 9.59%	3.70% - 6.43%	3.73% - 3.99%	3.81%
2000:						
Cultural Enterprise Employment	7,171 - 9,227	1,488 - 3,493	668 - 2,256	11,546 - 18,854	125,165 - 130,319	4,045,561
Percent of Total Employment	3.96% - 5.09%	3.23% - 7.59%	2.70% - 9.11%	4.58% - 7.48%	4.05% - 4.22%	3.55%

Source: U.S. Census Bureau, County Business Patterns (CBP), 2000 and 2005

Table 2: Top 10 Cultural Enterprise Industries in the Pioneer Valley and its County Subdivisions, as Ranked by Employment (2005)

Hampden County Sub-Region		Hampshire County Sub-Region		Franklin County Sub-Region		Pioneer Valley	
Industries	Employment Total	Industries	Employment Total	Industries	Employment Total	Industries	Employment Total
Newspaper Publishers	1,594	Photographic Film, Paper, Plate, and Chemical Manufacturing	250 - 499	Book Publishers	250 - 499	Newspaper Publishers	1794-2,092
Commercial Lithographic Printing	759	Book Stores	100 - 249	Museums	100 - 249	Commercial Lithographic Printing	847-866
Cable and Other Program Distribution	250 - 499	Fine Arts Schools	100 - 249	Newspaper Publishers	100 - 249	Radio, Television, and Other Electronics Stores	628-647
Radio, Television, and Other Electronics Stores	494	Newspaper Publishers	100 - 249	Fine Arts Schools	20 - 99	Video Tape and Disc Rental	378
Television Broadcasting	286	Printing Machinery and Equipment Manufacturing	100 - 249	Book Stores	20 - 99	Hobby, Toy, and Game Stores	354-373
Radio Stations	100 - 249	Radio, Television, and Other Electronics Stores	134	Jewelry Stores	20 - 99	Photographic Film, Paper, Plate, and Chemical Manufacturing	350-748
Custom Architectural Woodwork and Millwork Manufacturing	100 - 249	Video Tape and Disc Rental	107	Prerecorded Tape, Compact Disc, and Record Stores	20 - 99	Book Publishers	328-656
Motion Picture Theaters (except Drive-Ins)	100 - 249	Motion Picture and Video Production	20 - 99	Zoos and Botanical Gardens	20 - 99	Television Broadcasting	286-305
Photographic Film, Paper, Plate, and Chemical Manufacturing	100 - 249	Art Dealers	20 - 99	Silverware and Hollowware Manufacturing	20 - 99	Cable and Other Program Distribution	270-617
Video Tape and Disc Rental	245	Camera and Photographic Supplies Stores	20 - 99	Video Tape and Disc Rental	26	Other Miscellaneous Nondurable Goods Merchant Wholesale	270-598

Source: U.S. Census Bureau, County Business Patterns (CBP), 2005

In 2000 and 2005, cultural enterprise employment as a proportion of total employment was approximately the same or greater in the Pioneer Valley than in either Massachusetts or the U.S. as a whole (see Table 1). Although the ranges at the regional and county levels are very wide, the high end of the range is greatest in Franklin County, followed by Hampden and Hampshire counties. However, at the low end, Hampden County has the highest minimum cultural enterprise employment level of the three counties, implying a degree of consistency and stability in that sector.

Between 2000 and 2005, total employment in cultural enterprises experienced a relative decrease in both the Pioneer Valley and Massachusetts. However, nationwide the total employment in cultural enterprises increased slightly. Further research is needed to determine the precise causes of this apparent decline in the Pioneer Valley's cultural enterprise employment versus the increase seen in other parts of the country. However, it is known that during this time period, the population level in the Pioneer Valley and state was relatively stagnant, with a 1.0 percent and 1.2 percent population growth experienced, respectively, while the Pioneer Valley's unemployment rate rose from 3.0 percent to 5.2 percent (Massachusetts Department of Workforce Development). This increase is slightly greater than was experienced statewide (from 2.7 to 4.9 percent) and twice the increase experienced by the nation (from 4.0 to 5.1 percent).

The total level of employment in cultural enterprises in the Pioneer Valley varies greatly, given that the larger population centers are found in Hampden County as compared to the more rural and suburban Hampshire and Franklin counties (see Tables 1 and 2). There was also a considerable variety of creative industries operating across the Pioneer Valley (Table 2). In fact, only two industries are represented in each county's top ten: newspaper publishers and video tape and disc rentals (both included by NEFA under the category of "intellectual property production and distribution"). Industries common to both Hampden and Hampshire counties include radio, television, and other electronics stores and photographic film, paper, plate, and chemical manufacturing. Industries common to both Hampshire and Franklin counties include book stores and fine arts schools. The size and scope of these common enterprises

tend to vary considerably from one county to another. For example, employment related to book stores would include large national retailers located in the more urban areas as well as small independent stores in the college towns and rural areas. Additionally, the presence of a single large employer can also influence the data; for instance, the prominence of book publishing employment in Franklin County is probably due to the presence of one large company that had 250 employees in 2005.

Cultural Workforce

The cultural workforce is another concept taken from the 2007 NEFA report's research framework. Unlike cultural enterprises, the cultural workforce focuses on the creative occupations of the individuals rather than the industries in which these individuals work. For example, a graphic designer may work for a financial institution or manufacturer but is still considered part of the cultural workforce. As defined by NEFA, the cultural workforce consists of "everyone who self-identified as belonging to one of the cultural occupations, and who was in the labor force at the time of the Census (i.e. either employed or unemployed and looking for work)." The NEFA report used figures from the 2000 U.S. Census Public Use Microdata Sample (PUMS) to analyze occupations prevalent in New England's creative economy workforce. For the purposes of this analysis, similar data from the U.S. Census Bureau's Equal Employment Opportunity Office (EEOO) was used for the year 2000 using Standard Occupation Coding (SOC) categories because the PUMS data was not available at the county level.

In 2000, the most recent year for which data is available, the percentage of all workers who were part of the cultural workforce for the Pioneer Valley was lower than the percentage in Massachusetts or the nation as a whole (see Table 3). However, within the Pioneer Valley, both Franklin and Hampshire counties had a higher percentage of their workforce engaged in cultural occupations than did the state or nation. Further investigation is required to better explain the prominence of these two sub-regions in the creative economy as defined in this way; however, there are two notable sources of influence that can be cited. First, there is the concentration of large higher educational institutions located in Hampshire County.

Table 3: Profile of the Cultural Workforce (Numbers in Workforce) of the Pioneer Valley and its Sub-Regions vs. Massachusetts and the U.S.

WORKFORCE CATEGORY	COUNT	Hampden County Sub-Region	Hampshire County Sub-Region	Franklin County Sub-Region	Pioneer Valley	Massachusetts	United States
Cultural Workforce	Number	4,975	3,588	1,533	10,096	127,375	4,695,205
	% of Labor Force	2.27%	4.10%	3.89%	2.92%	3.84%	3.69%
Labor Force	Number	218,853	87,452	39,413	345,718	3,317,479	127,156,415

Source: 2000 Decennial Census, Equal Employment Opportunity Data Tool

These educational institutions routinely employ many workers in cultural occupations (such as scholars and teachers in the fine arts and humanities, archivists and curators for school museums and galleries, and librarians), and they also educate the future workers of this industry, some of whom will stay and work in the region after they graduate. Second, Franklin County and many of the more rural areas of Hampshire County have a relatively low cost of living, including affordable studio space, making it more attractive for individual artists to live and work here.

Table 5 (see pages 6-7) illustrates the top ten cultural workforce occupations in the Pioneer Valley, Massachusetts, and the U.S., ranked by employment. There is considerable overlap evident in the top cultural occupations found in the three Pioneer Valley counties; for example, designers and librarians are predominant in all three counties, with designers ranked either first or second. Franklin County is notable for having artists and related workers as its highest ranked occupation, despite the relatively small numbers counted by this method. Hampshire County is the only sub-region with news analysts, reporters, and correspondents listed in the top ten, while Hampden County is the only sub-region to have photographers in its top ten creative occupations.

In the Pioneer Valley as a whole, the top five cultural occupations in the region (i.e., designers, librarians, writers/authors, artists, and drafters) all make up significantly higher concentrations of the cultural workforce than they do in the state or nation. Moreover, the creative occupations in the Pioneer Valley tend to be more diverse, with less concentration in one or two occupations than is found elsewhere. For instance, about a quarter of the cultural workers in Massachusetts and the U.S. are marketing and sales managers, with designers a close second

at 15-20 percent of the cultural workforce. Together, these two occupations make up approximately 40 percent of all creative workers in Massachusetts and the U.S., while there is far more diversity evident in the Pioneer Valley's cultural workforce. When 2010 Census data becomes available, it will be possible to conduct a comparison over time.

Self-Employed Creative Workers

Since the Census Bureau's County Business Patterns data does not include self-employed workers, the Census Bureau's Non-Employer Statistics Program provides a reliable data supplement. This is not part of the NEFA report's framework, but is used here in order to augment the previous analysis of the Pioneer Valley's cultural enterprises. A non-employer business is defined as "one that has no paid employees, has annual business receipts of \$1,000 or more...[and is] subject to federal income taxes. Most non-employers are self-employed individuals operating very small unincorporated businesses, which may or may not be the owner's principal source of income." The Census Bureau's Non-Employer Statistics indicate the number of firms that fall within a particular North American Industry Classification System (NAICS) code, but they do not define the actual number of workers in each firm, which could be more than one person in instances of small business partnerships. In addition, the subject data does not indicate whether these non-employers operate their businesses part-time or full-time.

When the top ten cultural industries drawn from the County Business Patterns (CBP) data are compared with the top ten non-employer cultural industries for the Pioneer Valley in 2005, as depicted in Table 4, the significant number of individual artists, writers, and performers who are not counted by standard federal census data is immediately apparent. In fact, many of the firms that are prevalent in the

Table 4: Top Ten Categories of Pioneer Valley Cultural Enterprises vs. Self-Employed Cultural Worker Firms

U.S. Census County Business Patterns Data (2005)	Total Firms
Radio, Television, and Other Electronics Stores	53
Video Tape and Disc Rental	48
Commercial Lithographic Printing	37
Fine Arts Schools	37
Book Stores	35
Architectural Services	35
Advertising Agencies	29
Independent Artists, Writers, and Performers	26
Graphic Design Services	19
Museums	18
TOTAL	337

U.S. Census Non-Employer Program Data (2005)	Total Firms
Independent Artists, Writers, and Performers	2,167
Specialized Design Services	358
Publishing Industries (except Internet)	272
Photographic Services	244
Advertising and Related Services	206
Motion Picture and Sound Recording Industries	115
Landscape Architectural Services	106
Performing Arts Companies	90
Architectural Services	89
Motion Picture and Video Industries	75
TOTAL	3,722

Source: U.S. Census Bureau, County Business Patterns (CBP) 2005 and Non-employer Statistics 2005

Table 5: Top 10 Cultural Workforce Occupations in the Pioneer Valley and its Sub-Regions as Compared to Massachusetts and the U.S. (Ranked by Employment*)

Hampden County Sub-Region			Hampshire County Sub-Region			Franklin County Sub-Region		
Industries	Employment Total	%	Industries	Employment Total	%	Industries	Employment Total	%
Designers	995	26.9%	Designers	545	17.2%	Artists and Related Workers	210	15.3%
Drafters	355	9.6%	Writers and Authors	420	13.3%	Designers	205	14.9%
Librarians	290	7.8%	Librarians	355	11.2%	Librarians	160	11.7%
Artists and Related Workers	215	5.8%	Artists and Related Workers	210	6.6%	Writers and Authors	130	9.5%
Photographers	195	5.3%	Editors	210	6.6%	Editors	115	8.4%
Architects, Except Naval	175	4.7%	News Analysts, Reporters and Correspondents	150	4.7%	Musicians, Singers, and Related Workers	80	5.8%
Musicians, Singers, and Related Workers	160	4.3%	Architects, Except Naval	145	4.6%	Drafters	70	5.1%
Announcers	145	3.9%	Drafters	135	4.3%	Architects, Except Naval	55	4.0%
Editors	125	3.4%	Musicians, Singers, and Related Workers	120	3.8%	Broadcast and Sound Engineering Technicians and Radio Operators and Other Media and Communication Equipment Workers	45	3.3%
Miscellaneous Media and Communication Workers	125	3.4%	Archivists, Curators, and Museum Technicians	110	3.5%	Archivists, Curators, and Museum Technicians	35	2.5%

*Note: Percentages shown represent percent share of total cultural workforce
 Source: 2000 Decennial Census, Equal Employment Opportunity Data Tool

Pioneer Valley			Massachusetts			United States		
Industries	Employment Total	%	Industries	Employment Total	%	Industries	Employment Total	%
Designers	1,745	21.2%	Marketing and Sales Managers	31,970	25.6%	Marketing and Sales Managers	1,043,145	22.4%
Librarians	805	9.8%	Designers	23,450	18.8%	Designers	712,240	15.3%
Writers and Authors	675	8.2%	Architects, Except Naval	8,205	6.6%	Artists and Related Workers	217,830	4.7%
Artists and Related Workers	635	7.7%	Editors	7,300	5.8%	Drafters	216,005	4.6%
Drafters	560	6.8%	Artists and Related Workers	6,295	5.0%	Advertising Sales Agents	201,965	4.3%
Editors	450	5.5%	Writers and Authors	6,235	5.0%	Architects, Except Naval	187,855	4.0%
Architects, Except Naval	375	4.6%	Drafters	4,990	4.0%	Librarians	184,745	4.0%
Musicians, Singers, and Related Workers	360	4.4%	Musicians, Singers, and Related Workers	4,375	3.5%	Editors	175,165	3.8%
Photographers	320	3.9%	Public Relations Specialists	4,335	3.5%	Musicians, Singers, and Related Workers	157,610	3.4%
News Analysts, Reporters and Correspondents	290	3.5%	Producers and Directors	3,710	3.0%	Writers and Authors	152,635	3.3%

non-employer data are not represented at all in the CBP data. The only other category that is in the top ten for both data sets is architectural services. There is a much higher number of firms in all categories in the non-employer data, because they are very small or single-person operations. Overall, in the Pioneer Valley, there were only 337 total firms in the CBP's top ten rankings as compared to 3,722 total non-employer firms, more than ten times as many.

This analysis of the Census Bureau's non-employer data highlights key traits of the creative economy of the Pioneer Valley. First and foremost, it demonstrates the important role small businesses and the self-employed play in the creative economy, particularly the prevalence of independent artists, writers, and performers. Second, non-employer data illuminates some significant cultural industries that would not be evident from analysis of CBP data alone; for example, landscape architectural services, which does not appear in the analysis presented earlier in Table 2 of this report.

Conclusion

This report provides an initial measurement and assessment of arts and culture-related industries and workers, or the "creative economy," in the Pioneer Valley of western Massachusetts. Overall, parts of the Pioneer Valley have significantly higher concentrations of creative workers than the state of Massachusetts or the nation as a whole, and these sub-regions tend to be in Hampshire and Franklin counties. However, the proportion of total employment made up by cultural enterprise employment appears to have decreased between 2000 and 2005, which may be related to recent socioeconomic trends affecting the Pioneer Valley, including increased levels of out-migration and unemployment.

Although the type of cultural enterprises that are predominant in the region appear to vary widely from one part of the Pioneer Valley to another, largely due to the wide range of urban to rural settings, the occupations of cultural workers remain consistent across the three counties comprising the Pioneer Valley. Only a few cultural occupations are highly concentrated in a given area, such as photogra-

phers in Hampden County and individual artists in Franklin County. However, no one industry stands out as unique to the entire region, as is sometimes the case in other parts of the country. In fact, what may be most notable about the Pioneer Valley is its broad diversity of cultural occupations as compared to the state and the U.S. It is also important to acknowledge the role of small businesses and the self-employed in the creative economy, and any further research into this sector of the economy should be sure to include these groups. Standard U.S. Census data cannot account for many of the small businesses that are most critical to the creative sector, so it is necessary to utilize other reliable data sources to capture this activity, as it is an essential component of the Pioneer Valley's creative economy.

A strong and growing creative economy is a good fit for the Pioneer Valley, given its highly educated workforce, relatively low cost of living, complementary industry sectors (e.g., tourism), rich history, scenic beauty, and numerous educational institutions. Nevertheless, it will be important, on a continuing basis, to identify the key factors that could either help or hinder the growth and vitality of the Pioneer Valley's creative economy. Furthermore, it is important to assess and measure how the creative economy supports and reinforces other components of the Pioneer Valley economy, especially tourism, recreation, and the related leisure services sector. Looking to the future, there is ample reason to believe that cultural activity and jobs will become an increasingly important part of the Pioneer Valley's economic base as well as its identity and character. This report provides a baseline for understanding the dimensions of the Pioneer Valley's creative economy and a series of recommendations about areas requiring additional in-depth explanation and analysis. Correspondingly, the region needs to work in a collaborative manner to pursue programs and projects that will foster the growth and expansion of the region's creative economy sector and, by so doing, help to create and sustain a culture of creative enterprises and workers and the multiple benefits that the Pioneer Valley can derive therefrom.



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