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Making Noise - Investigating the Economic Significance of Oregon's Commercial Music Sector

2024-05-23

PNREC @ Bend

Jenny H. Liu, Ph.D.

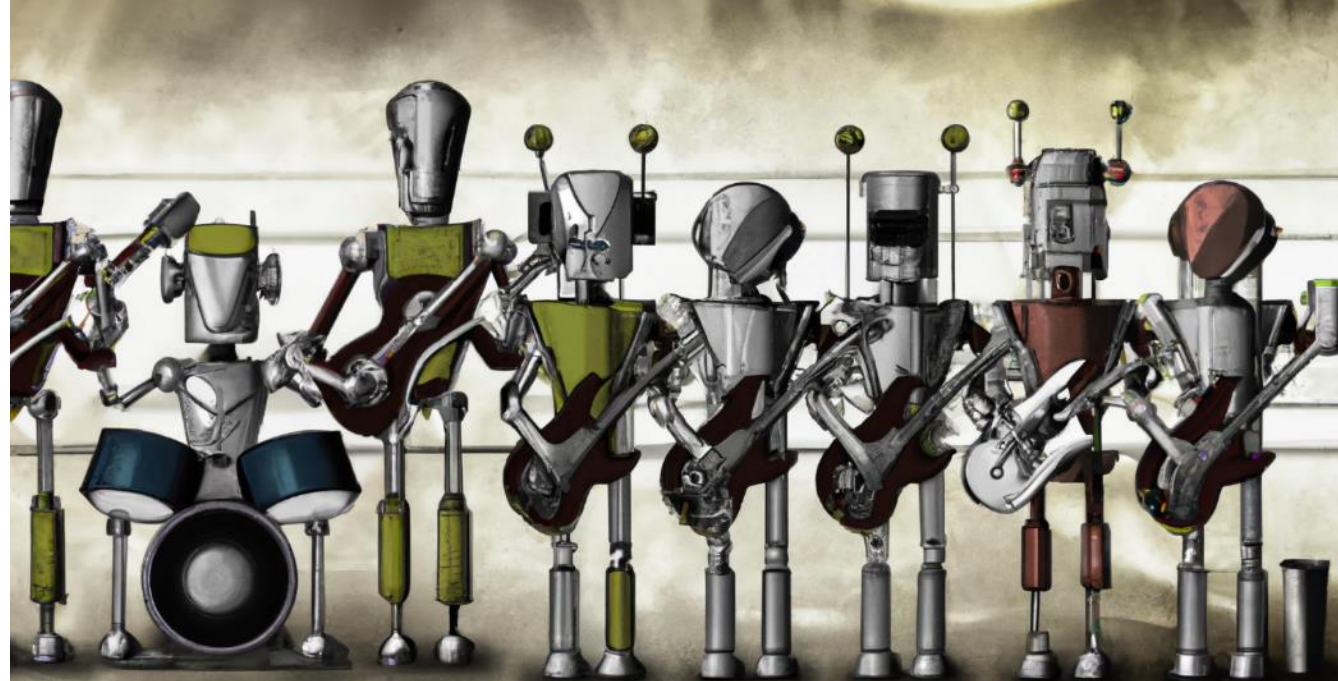
Associate Professor, School of Urban Studies & Planning
Assistant Director, Northwest Economic Research Center
Portland State University

Oregon's Emerging Industries

- 2022 Oregon Legislature authorized funding for Business Oregon to conduct analyses of emerging industries
 - Organic Agriculture and Organic Food Products
 - Cannabis
 - **Commercial Music**
 - Ocean Resources and the Blue Economy
 - **Live Performance**

Team

- **NERC Research Team:**
 - Jenny Liu, Ph.D.
 - Stephen Marotta, Ph.D.
 - Emma Brophy
 - Rohan Khanvilkar
 - Hyeoncheol Kim
- Business Oregon
- Industry Advisory Groups



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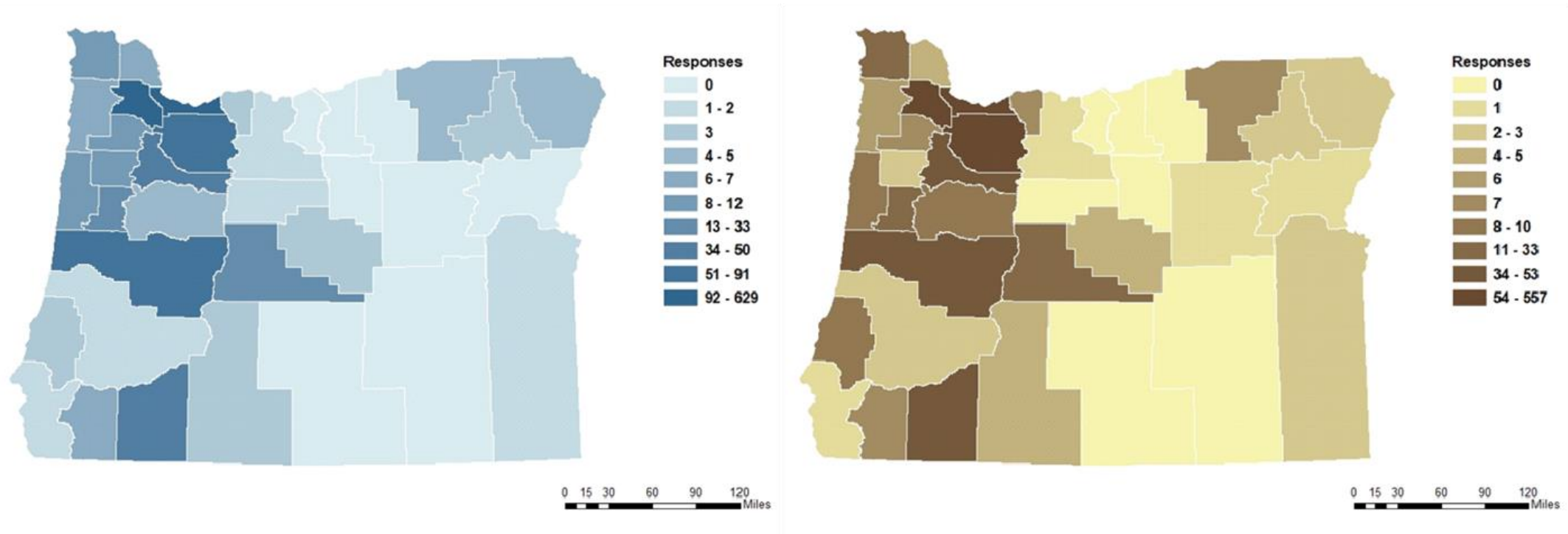




2022 Oregon Music Census

2022 Oregon Music Census

Figure 1 - Geographic distribution of 2022 Oregon Music Census responses by county

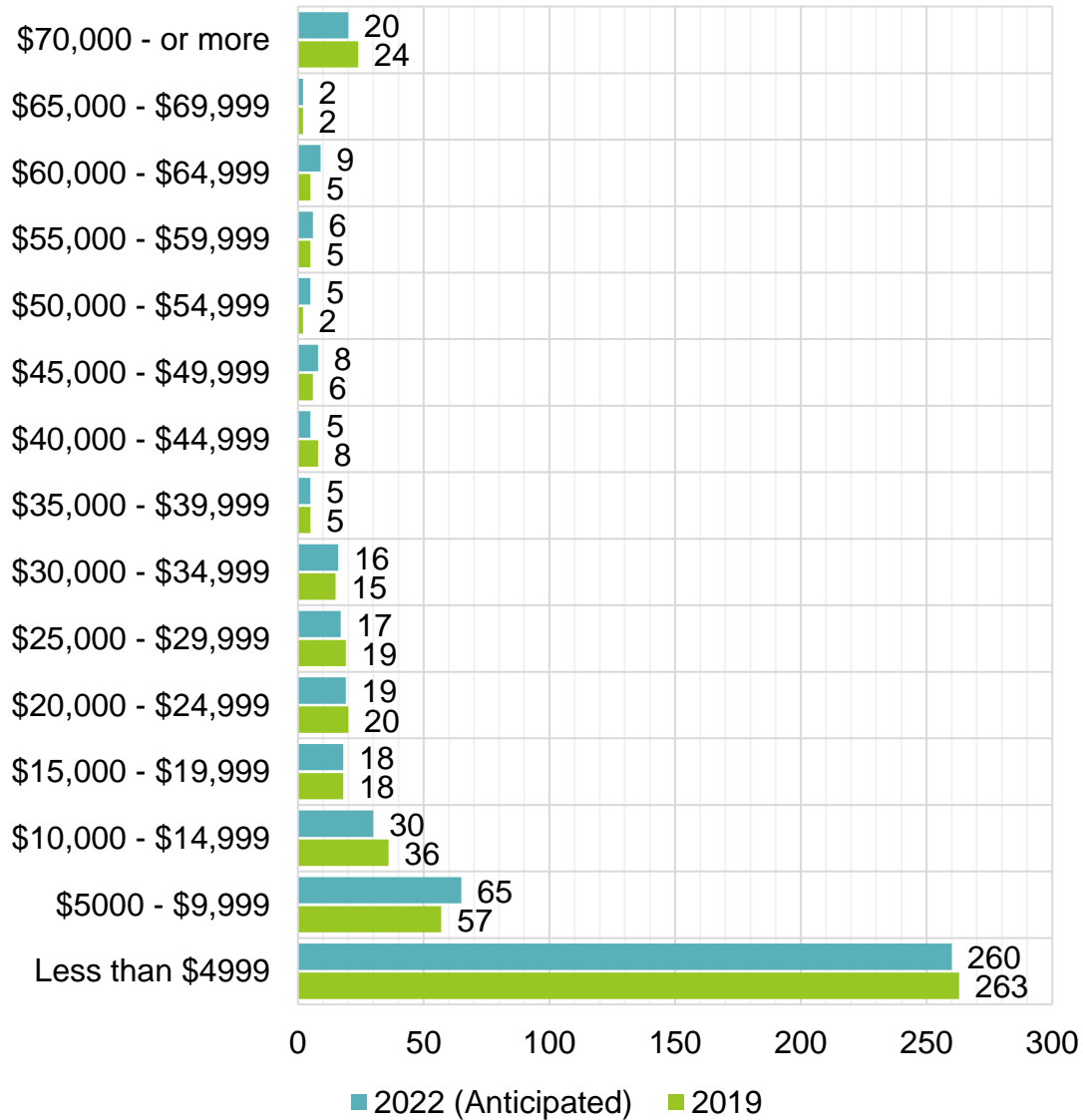


(a) Response as a musician

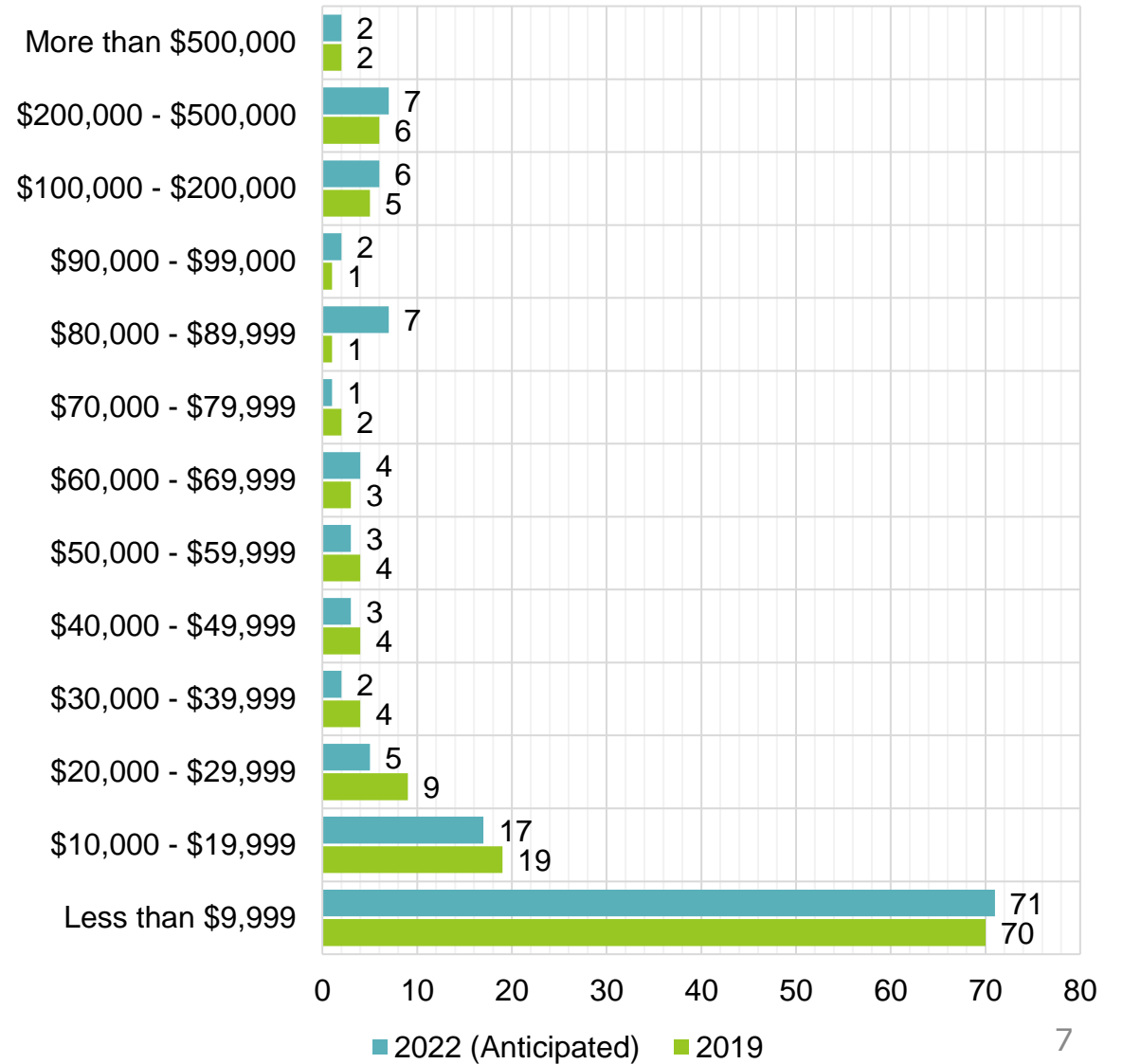
(b) Response as a music business manager

2022 Oregon Music Census

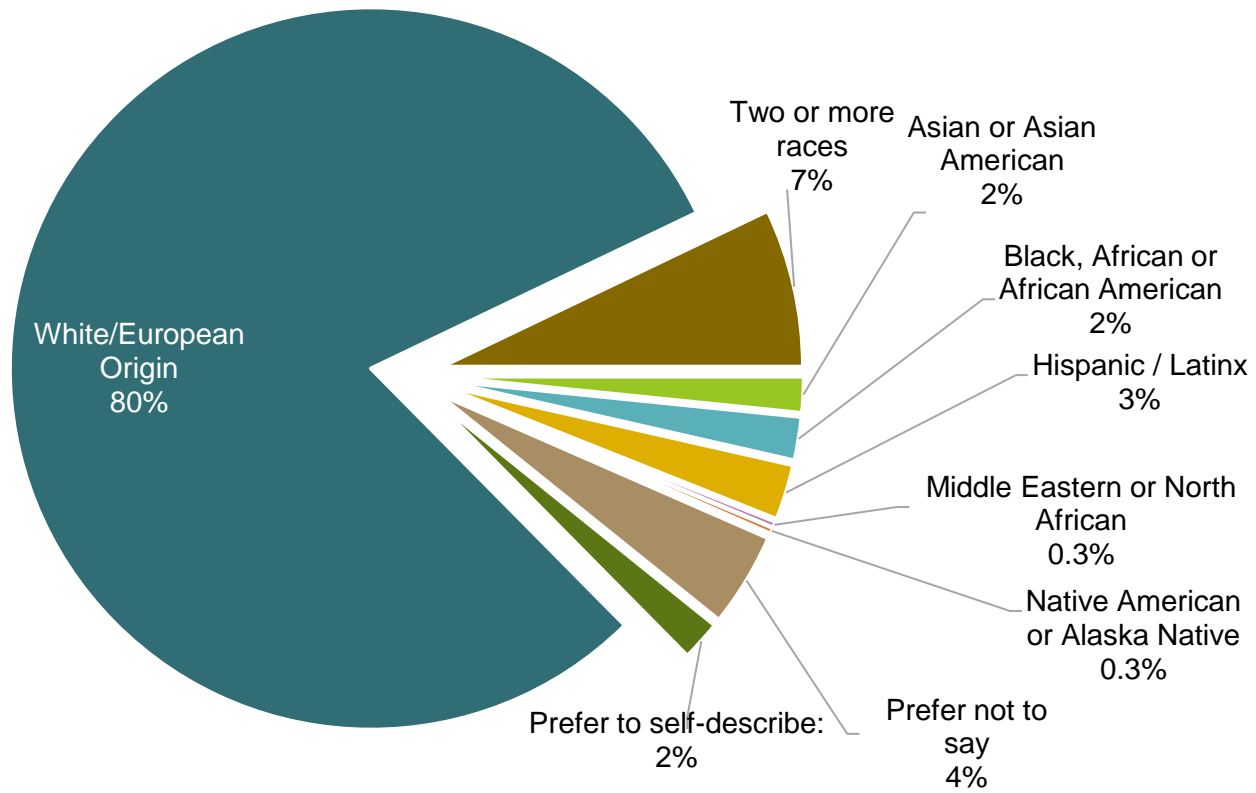
Artist Estimated Gross Income (Personal)



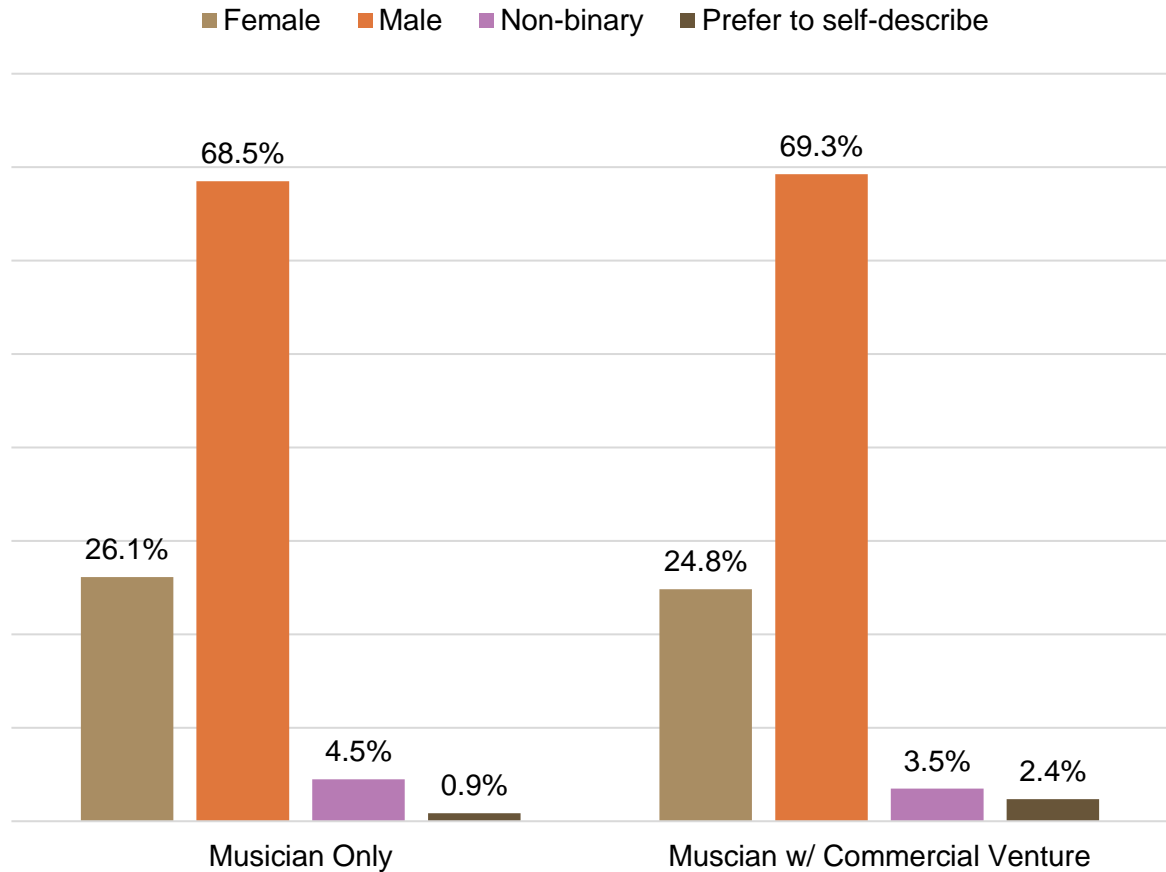
Artist Estimated Gross Income (Whole Band)



**Self-Identification of Race and Ethnicity
(% of Responses)**



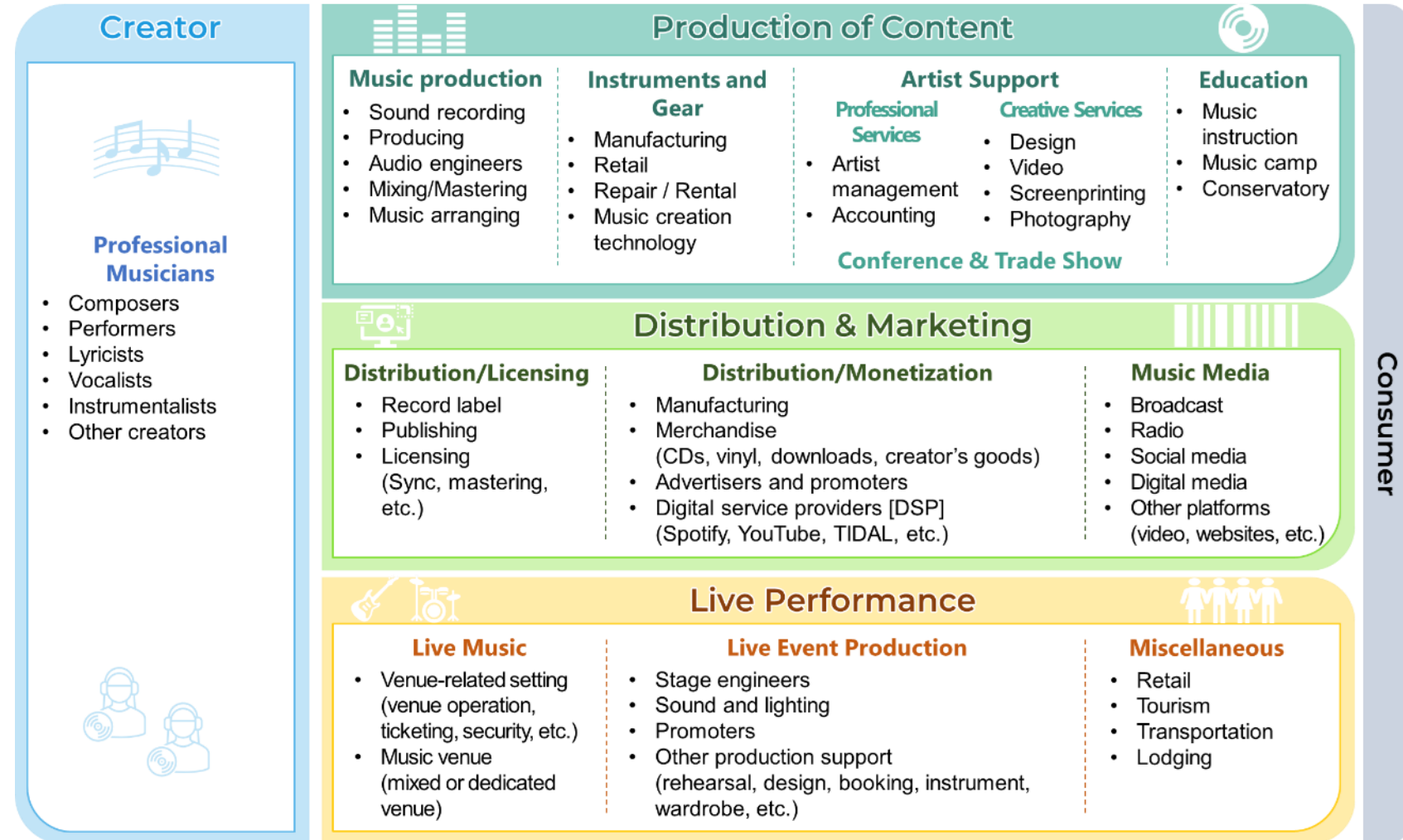
**Self-Identification by Gender Identity
(% of Responses)**



Commercial Music and Live Performance Industries – Conceptualization to Quantification to Understanding



Commercial Music Industry Conceptual Diagram



Commercial Music Industry Conceptual Diagram to NAICS Conversion

Production of Content

Music production	Instruments and Gear	Artist Support	Education
512240 Sound Recording Studios	339992 Musical Instrument Manu.	711410 Agents and Managers for Artists, Athletes, Entertainers, and Other Public Figures	611610 Fine Arts Schools
512250 Record Production and Distribution	451140 Musical Instrument and Supplies Stores	541219 Other Accounting Services	
512290 Other Sound Recording Industries	423610 Electrical Apparatus and Equipment, Wiring Supplies, and Related Equipment Wholesalers	541214 Payroll Services	
512110 Motion Picture and Video Production	453310 Used Merchandise Retailers	561499 All Other Business Support Services	
	811490 Other Personal and HH Goods Repair and Maintenance	541430 Graphic Design Services	
	532289 All Other Consumer Goods Rental	541922 Commercial Photography	
	334310 Audio and Video Equipment Manufacturing	561920 Convention and Trade Show Organizers	

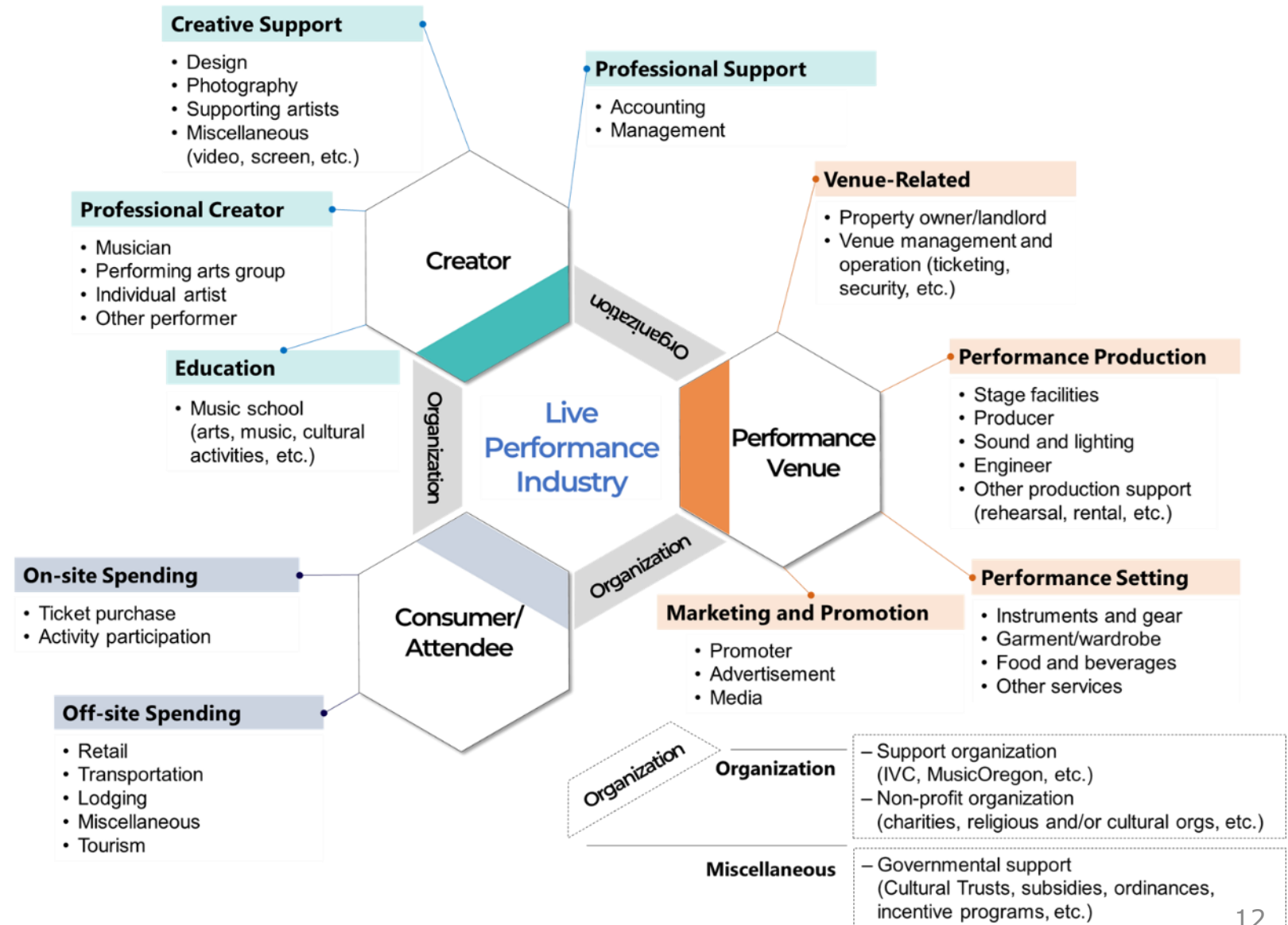
Commercial Music Industry



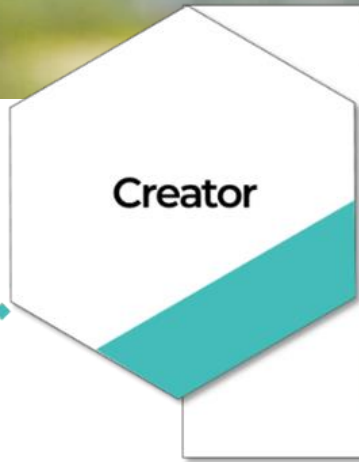
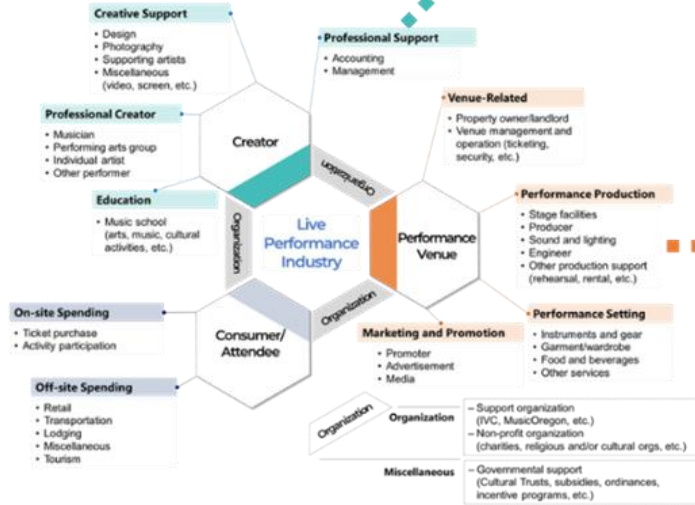
Live Performance

Live Music	Live Event Production
711310 Promoters of Performing Arts, Sports, and Similar Events with Facilities	Other Commercial and Industrial Machinery and Equipment Rental and Leasing
711320 Promoters of Performing Arts, Sports, and Similar Events without Facilities	532490
722410 Drinking Places (Alcoholic Beverages)	541330 Engineering Services
72251 Restaurants and Other Eating Places	541490 Other Specialized Design Services

Live Performance Industry Conceptual Diagram



Live Performance Industry Conceptual Diagram to NAICS Conversion



Professional Creator	Creative & Professional Support
711110 Theater Companies and Dinner Theaters	541219 Other Accounting Services
711120 Dance Companies	541214 Payroll Services
711130 Musical Groups and Artists	541430 Graphic Design Services
711190 Other Performing Arts Companies	541922 Commercial Photography
711510 Independent Artists, Writers, and Performers	541820 Public Relations Agencies
	561499 All Other Business Support Services
	561920 Convention and Trade Show Organizers
	711410 Agents and Managers for Artists, Athletes, Entertainers, and Other Public Figures
Education	
611610 Fine Arts Schools	



Venue & Production	Production & Performance Support
711310 Promoters of Performing Arts, Sports, and Similar Events with Facilities	339992 Musical Instrument Manufacturing
711320 Promoters of Performing Arts, Sports, and Similar Events without Facilities	334310 Audio and Video Equipment Manufacturing
722410 Drinking Places (Alcoholic Beverages)	334613 Blank Magnetic and Optical Recording Media Manufacturing[3]
72251 Restaurants and Other Eating Places	334614 Software and Other Prerecorded Compact Disc, Tape, and Record Reproducing and Reproducing Magnetic and Optical Media
	423610 Electrical Apparatus and Equipment, Wiring Supplies, and Related Equipment Merchant Wholesalers
	423990 Other Miscellaneous Durable Goods Merchant Wholesalers
	443142 Electronics Stores
	451140 Musical Instrument and Supplies Stores
	453310 Used Merchandise Retailers
	532289 All Other Consumer Goods Rental
	532490 Other Commercial and Industrial Machinery and Equipment Rental and Leasing
	541330 Engineering Services
	541490 Other Specialized Design Services
	811490 Other Personal and Household Goods Repair and Maintenance
Marketing & Promotion	
5418 Advertising, Public Relations, and Related Services	
711310 Promoters of Performing Arts, Sports, and Similar Events with Facilities	
711320 Promoters of Performing Arts, Sports, and Similar Events without Facilities	

813910 Business Associations
813920 Professional Organizations
813930 Labor Unions and Similar Labor Organizations

Data Processing

1. QCEW establishment level data (2017-2021)

2. MusicOregon industry ecosystem → Industry Conceptual Diagram → NAICS industry codes

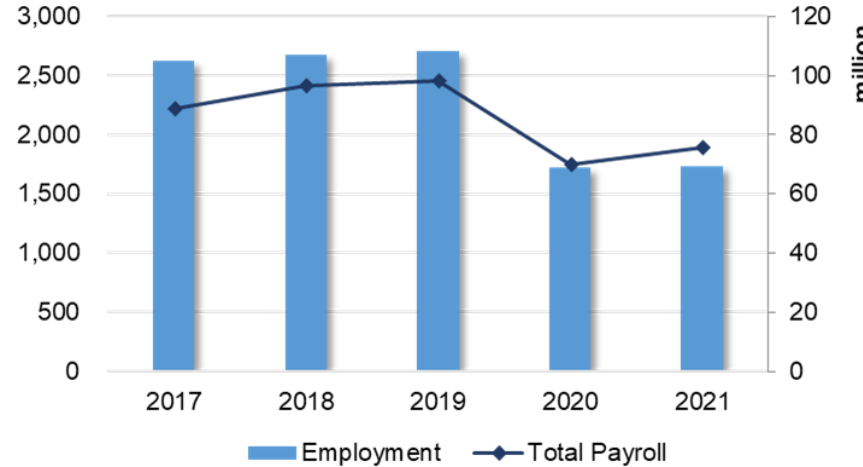
3. Match MusicOregon and IVC database with QCEW establishment list

4. Categorize NAICS sectors that fully or partially belong to Commercial Music or Live Performance Industries

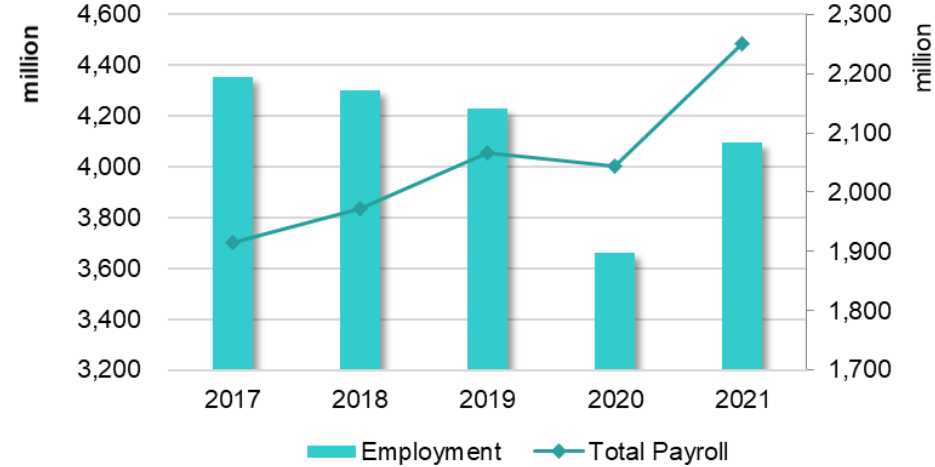
5. Manual filtering of major NAICS sectors

Commercial Music – Trends of Employment and Wages by Sector

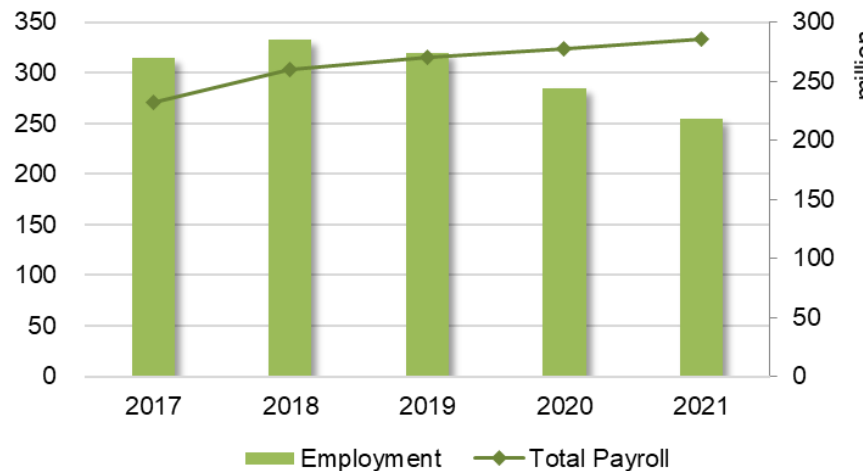
Creator



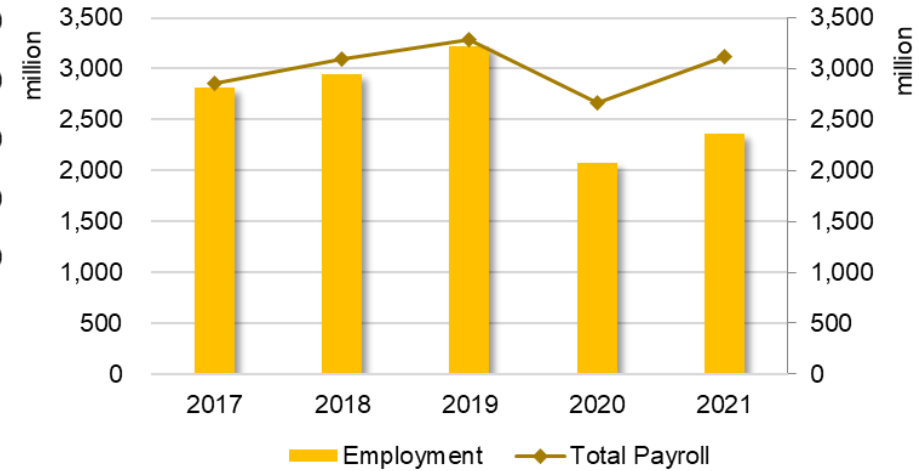
Production of Content



Distribution & Marketing



Live Performance

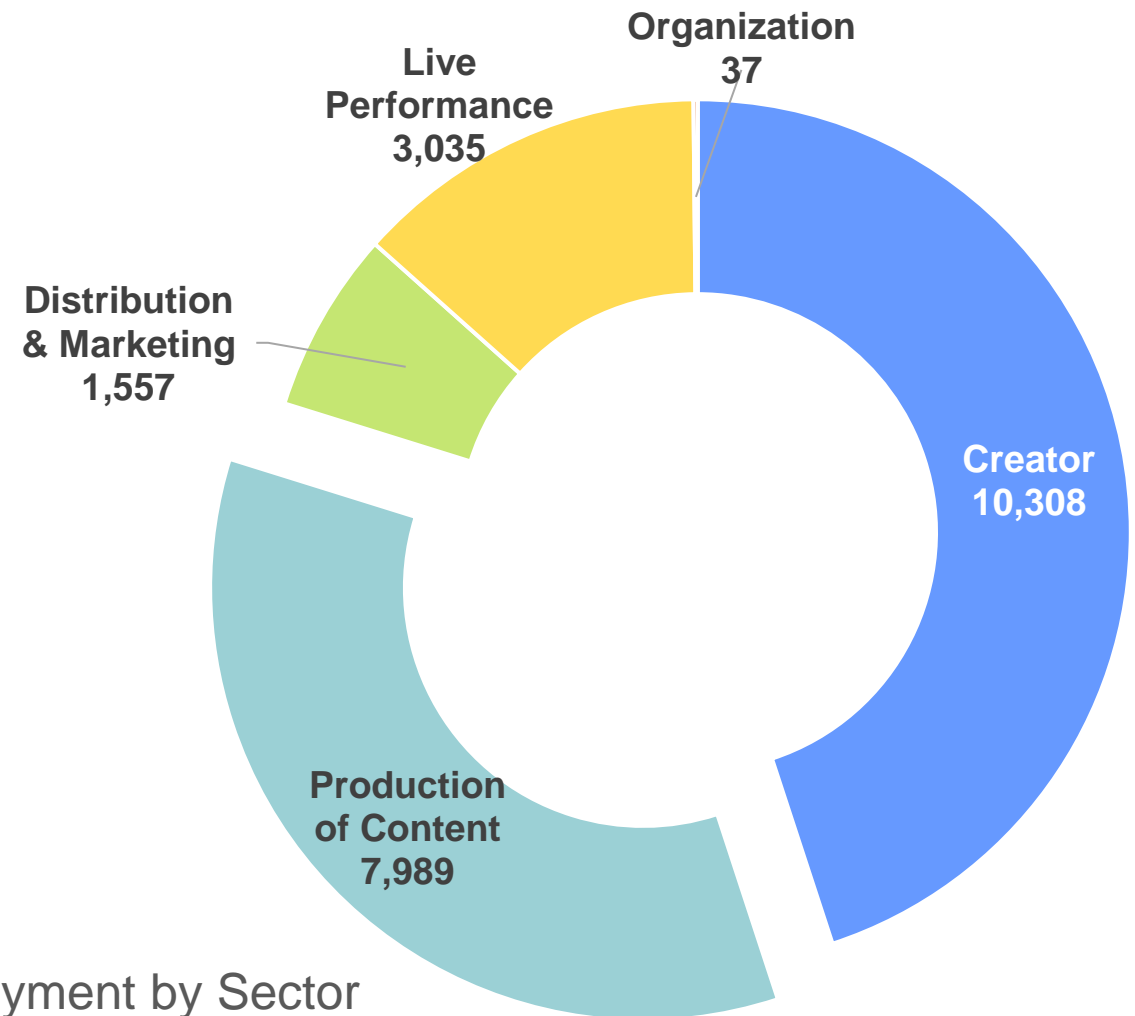


Commercial Music Industry – Economic Impact Analysis

Impact Type	Employment	Labor Income	Total Value Added	Output
Direct Effect	16,439	\$531,376,572	\$1,345,156,922	\$2,547,480,493
Indirect Effect	3,665	\$268,840,827	\$381,061,808	\$686,339,739
Induced Effect	2,823	\$177,126,746	\$313,318,172	\$524,120,737
Total Effect	22,927	\$977,344,145	\$ 2,039,536,902	\$3,757,940,969

Attendee off-site spending rough estimates

	Impact Type	Employment	Labor Income	Total Value Added	Output
Commercial Live Performance	Direct	2,940	\$106,565,028	\$160,511,033	\$276,229,170
	Indirect	551	\$40,050,385	\$60,025,050	\$110,876,624
	Induced	663	\$40,084,627	\$69,232,696	\$116,594,970
	Total	4,154	\$186,700,039	\$289,768,779	\$503,700,764
Non-profit Arts and Culture	Direct	3,532	\$128,233,457	\$191,410,003	\$329,227,014
	Indirect	654	\$47,714,795	\$71,581,038	\$132,287,638
	Induced	796	\$48,112,786	\$83,098,794	\$139,947,099
	Total	4,981	\$224,061,038	\$346,089,834	\$601,461,750



Employment by Sector

Qualitative Research Findings

- Music communities/networks are the primary strength
 - E.g., networks can accelerate businesses
- Pay/wages (esp. for performers) is the primary challenge
 - Wages stagnant since 1980s
 - Performers absorb costs (e.g. travel)
- Venue-related challenges
 - All ages venues; rising costs; licensing; noise ordinances/abatement; contracting; parking
- COVID-19-related closures
 - Many challenges (performers/venues), some opportunities (manufacturers)

Key Takeaways





Opportunities and Strategies

- Establishment of an Oregon Music Office
 - Interface with policy makers at local and state levels
 - Coordinate with future researchers and data collectors
 - Foster community building within industry
 - Facilitate grant or permit applications
 - Assist in ordinance compliance or contracting
- Grants and incentives may be necessary
- Ongoing research in both qualitative and quantitative fronts to build on this baseline study

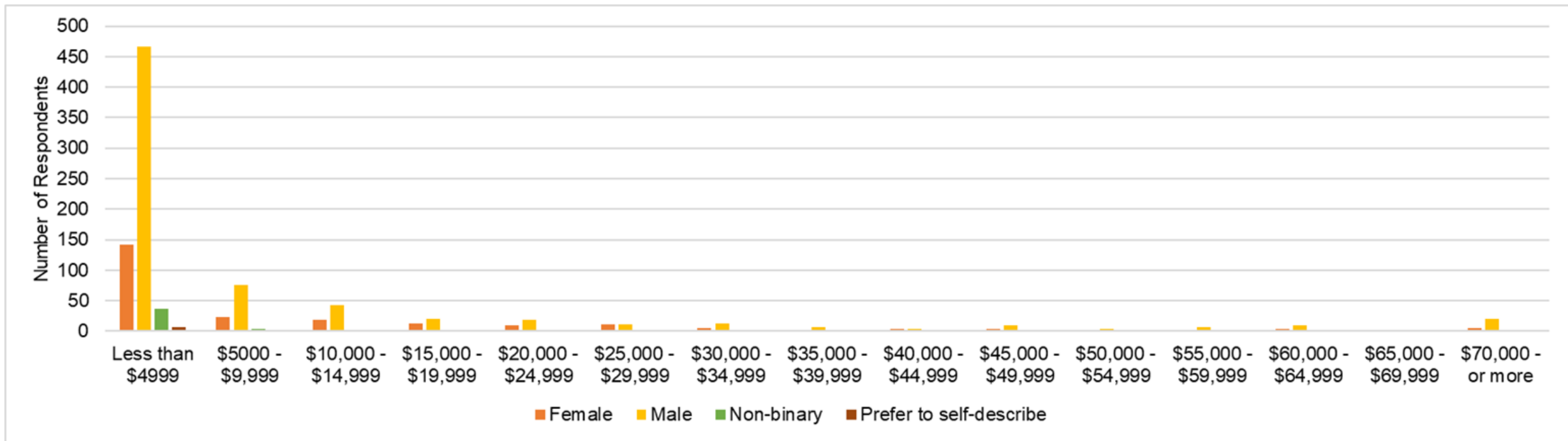




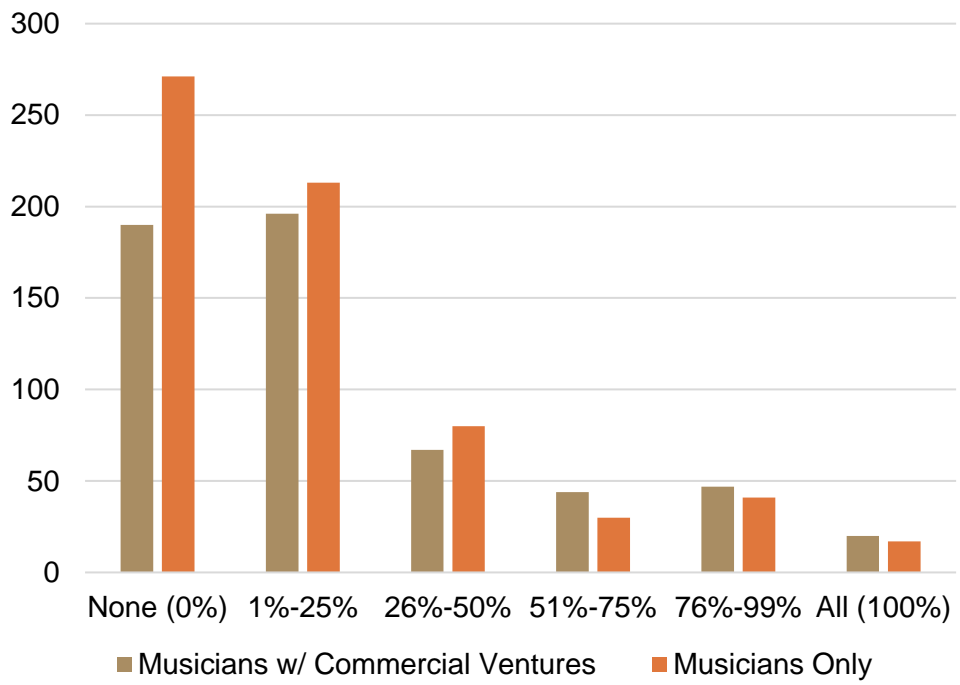
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Thank you!
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jenny.liu@pdx.edu

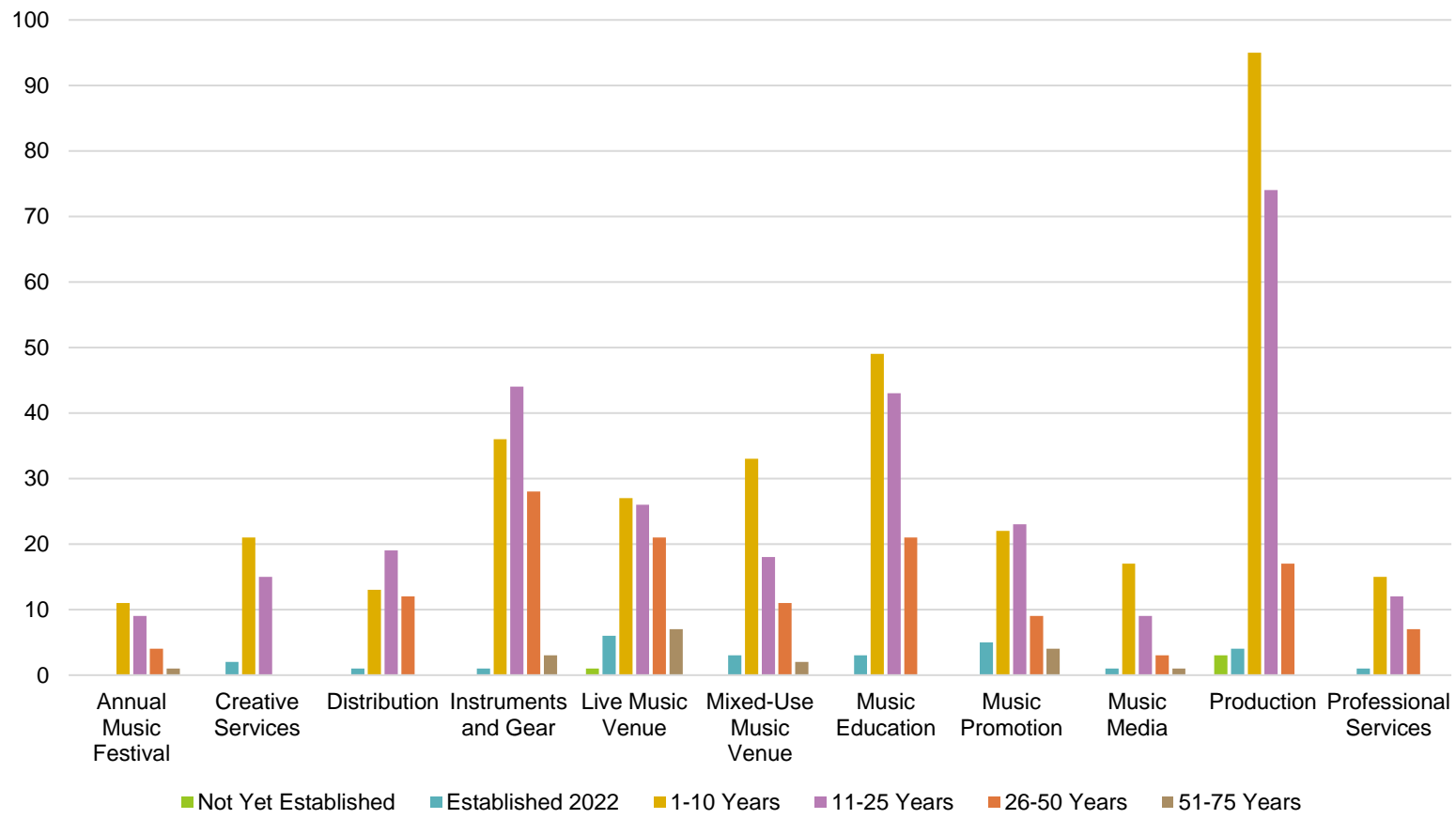
Figure 4 - Distribution of Gross Personal Income by Gender Identity (for 2022)



Out-of-State Revenue as a % of Total Revenue (Number of Responses)



Years in Business By Major Categories (Number of Responses)



Commercial Music – Growth Subsector Identification & Occupational Analysis

NAICS	NAICS Industry Name	Establishments (2021)	Employment (2021)	Employment Growth (2017-2021)	LQ (2021)	LQ Growth (2017-2021)
334310	Audio and Video Equipment Manufacturing	25	625	2%	2.48	19%
423990	Other Miscellaneous Durable Goods Merchant Wholesalers	132	726	5%	0.66	20%
532289	All Other Consumer Goods Rental	108	559	0%	0.80	10%
532490	Other Commercial and Industrial Machinery and Equipment Rental and Leasing	92	576	2%	0.70	18%
541110	Offices of Lawyers	2,477	10,969	0%	0.79	13%
541214	Payroll Services	151	1,021	6%	0.41	11%
541219	Other Accounting Services	1,151	4,855	6%	1.33	15%
541330	Engineering Services	1,330	13,405	4%	0.93	15%
541820	Public Relations Agencies	187	778	1%	0.96	12%
711310	Promoters of Performing Arts, Sports, and Similar Events with Facilities	86	1,068	3%	1.04	21%

Category	SOC	Occupation Title	Employment (2021)	Projected Growth Rate (2021-2031)	Average Hourly Wage (2022)	Average Annual Wage (2022)
Statewide	00-0000	Total, All Occupations	1,825,369	27%	\$ 29.55	\$ 61,465.00
Creator	27-1019	Artists and Related Workers, All Other	146.74	115%	\$ 25.25	\$ 52,512.00
	27-2041	Music Directors and Composers	484.56	84%	\$ 23.31	\$ 48,494.00
	27-2042	Musicians and Singers	514.96	220%	\$ 34.00	-s-
	27-2099	Entertainers and Performers, Sports and Related Workers, All Other	44.22	-s-	\$ 23.82	-s-
Production of Content	27-2012	Producers and Directors	1,353.9	41%	\$ 39.16	\$ 81,443.00
	27-4011	Audio and Video Technicians	416.81	163%	\$ 23.36	\$ 48,592.00
	27-4014	Sound Engineering Technicians	147.11	115%	\$ 26.01	\$ 54,117.00
	39-3021	Motion Picture Projectionists	-s-	-s-	\$ 17.74	\$ 36,888.00
	49-2097	Audiovisual Equipment Installers and Repairers	-s-	-s-	\$ 22.50	\$ 46,802.00
	49-9063	Musical Instrument Repairers and Tuners	-s-	-s-	\$ 20.98	\$ 43,623.00
	13-1011	Agents and Business Managers of Artists, Performers, and Athletes	-s-	-s-	\$ 42.23	\$ 87,837.00
	13-2011	Accountants and Auditors	13,240.55	17%	\$ 38.49	\$ 80,069.00
	27-1021	Commercial and Industrial Designers	363.48	84%	\$ 41.71	\$ 86,761.00
	27-1024	Graphic Designers	3,002.29	41%	\$ 28.30	\$ 58,876.00
	27-4021	Photographers	431.22	321%	\$ 26.57	\$ 55,263.00
	13-1121	Meeting, Convention, and Event Planners	1,368.2	26%	\$ 28.24	\$ 58,742.00
	25-1121	Art, Drama, and Music Teachers, Postsecondary	903.6	17%	-s-	\$ 90,108.00
25-3099	Teachers and Instructors, All Other	2,255.68	-s-	-s-	\$ 64,539.00	
Distribution & Marketing	11-2032	Public Relations Managers	909.52	-s-	\$ 51.62	\$ 107,383.00
	27-1011	Art Directors	720.04	277%	\$ 57.63	\$ 119,868.00
	27-3031	Public Relations Specialists	3,322.72	7%	\$ 33.08	\$ 68,799.00
	11-2011	Advertising and Promotions Managers	322.44	7%	\$ 50.57	\$ 105,184.00
	27-4032	Film and Video Editors	301.18	78%	\$ 28.48	\$ 59,245.00
	27-3011	Broadcast Announcers and Radio Disc Jockeys	199.98	-s-	\$ 26.36	\$ 54,829.00
	27-3099	Media and Communication Workers, All Other	146.83	385%	\$ 23.84	\$ 49,579.00
	27-4012	Broadcast Technicians	181.31	-23%	\$ 28.83	\$ 59,977.00
	27-4099	Media and Communication Equipment Workers, All Other	198.69	-s-	\$ 27.42	\$ 57,050.00
	Live Performance	11-9072	Entertainment and Recreation Managers, Except Gambling	239.54	-s-	\$ 33.56
33-9032		Security Guards	8,914.62	28%	\$ 17.87	\$ 37,172.00
39-1014		First-Line Supervisors of Entertainment and Recreation Workers, Except Gambling Services	512.33	-s-	\$ 25.92	\$ 53,910.00
39-3031		Ushers, Lobby Attendants, and Ticket Takers	391.46	81%	\$ 15.83	\$ 32,918.00
39-3099		Entertainment Attendants and Related Workers, All Other	75.59	142%	\$ 20.01	\$ 41,612.00
43-3031		Bookkeeping, Accounting, and Auditing Clerks	22,713.51	2%	\$ 23.20	\$ 48,268.00
27-1014		Special Effects Artists and Animators	250.59	316%	\$ 44.50	\$ 92,547.00
27-1027		Set and Exhibit Designers	65.81	-s-	\$ 39.16	\$ 81,451.00
27-4015	Lighting Technicians	102.02	-s-	-s-	-s-	

Note: -s- means suppressed for confidentiality or insufficient data.