

LOCAL NEWS, **GLOBAL IMPACT**

PENNSYLVANIA ASSOCIATION OF BROADCASTERS **ECONOMIC IMPACT ANALYSIS**



208 North 3rd Street - Suite 105, Harrisburg, PA 17101



717-482-4820



<https://pab.org/contact-us/>



pabroadcasting



PABroadcasters



pabroadcasting



pennsylvania-association-of-broadcasters

Contents

| | | |
|----|---|----|
| 01 | INTRODUCTION | 2 |
| 02 | METHODS AND PROCESS | 3 |
| 03 | GIVING BACK TO THE COMMUNITY & COMMUNITY BENEFITS | 4 |
| 04 | IMPACT OF THE RADIO INDUSTRY | 12 |
| 05 | IMPACT OF THE TELEVISION INDUSTRY | 14 |
| 06 | APPENDIX A: TERMS AND DEFINITIONS | 16 |
| 07 | APPENDIX B: METHODOLOGY | 17 |
| 08 | APPENDIX C: PA ECONOMY PROFILE | 18 |

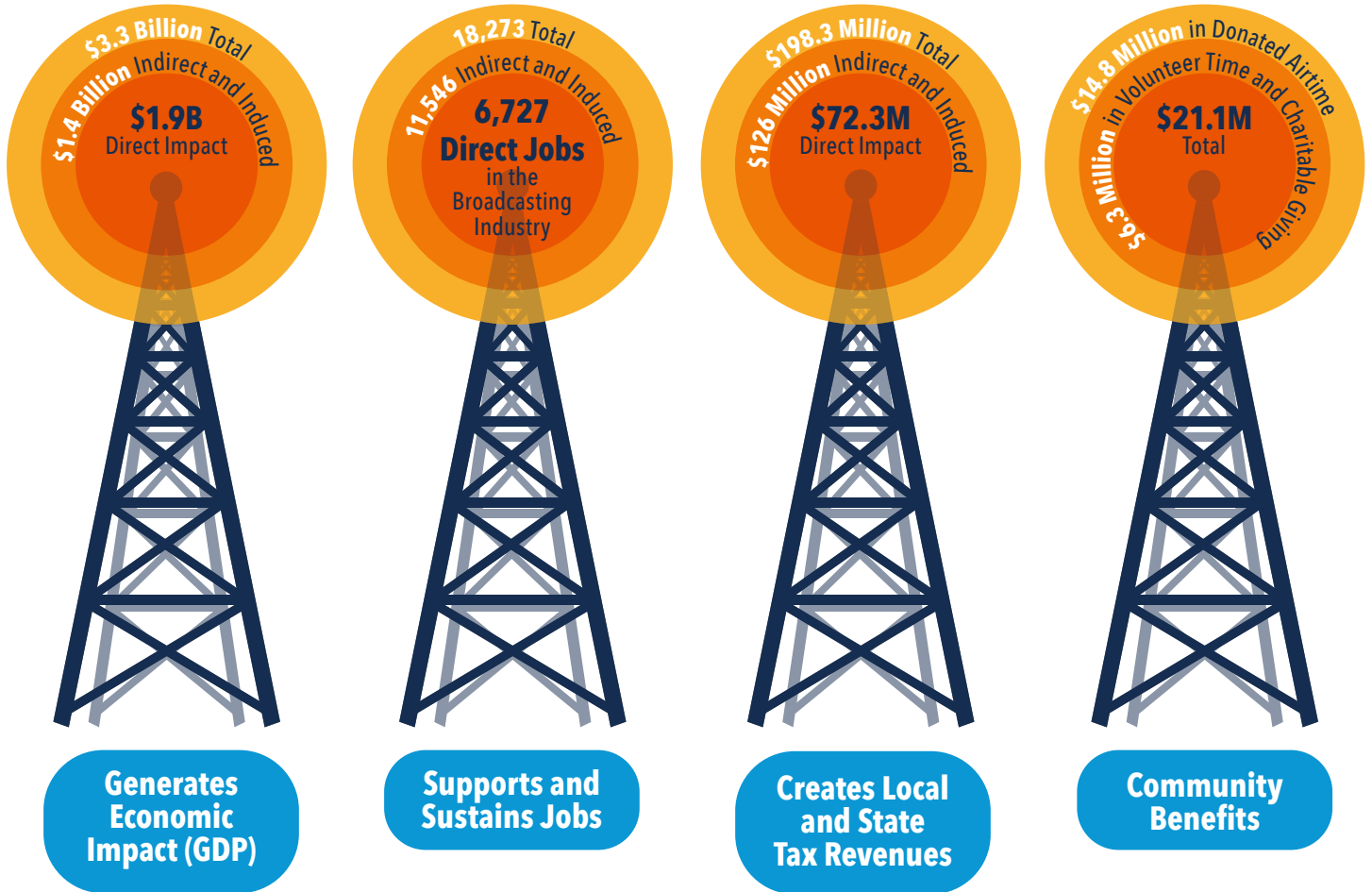
INTRODUCTION

The television and radio stations that make up Pennsylvania's broadcast industry play a vital role in the community. Local stations share news, public safety information, and details about events and educational opportunities. Viewers trust local stations because broadcasters live, work, and shop in their communities. By raising awareness about local issues and raising money for local charities, members of the broadcast industry are supporting their neighbors. Pennsylvania's television and radio stations give community partners a platform to grow their events, promote arts and culture, and serve the underserved. The industry reflects the pulse of the community through every broadcast.



01

On a **direct basis**, Pennsylvania's broadcast industry employs 6,727 people, generates \$1.9 billion in economic impact, and creates \$72.3 million in state and local tax revenues. Overall, the industry contributes \$3.3 billion to the economy, supports and sustains 18,273 jobs, and generates \$198.3 million in state and local tax revenues.



COMBINED RADIO AND TELEVISION IMPACTS

| | EMPLOYMENT IMPACT (JOBS) | LABOR INCOME | VALUE ADDED (GDP) | OUTPUT |
|-----------------|--------------------------|------------------------|------------------------|------------------------|
| DIRECT | 6,727 | \$1,890,508,692 | \$1,979,010,613 | \$1,953,425,920 |
| INDIRECT | 1,189 | \$232,254,387 | \$266,962,401 | \$356,823,499 |
| INDUCED | 10,357 | \$651,776,768 | \$1,090,293,925 | \$1,845,809,475 |
| TOTAL | 18,273 | \$2,774,540,118 | \$3,336,266,939 | \$4,156,058,895 |

Source: Parker Phillips using IMPLAN

COMBINED RADIO AND TELEVISION TAX IMPACTS

| | SUB COUNTY GENERAL (City and Township Taxes) | SUB COUNTY SPECIAL DISTRICTS (School, Police, Fire, EMS, and Other) | COUNTY | STATE | TOTAL |
|-----------------|---|--|--------------------|----------------------|----------------------|
| DIRECT | \$12,364,902 | \$9,904,285 | \$1,204,075 | \$48,865,141 | \$72,338,404 |
| INDIRECT | \$1,980,534 | \$2,432,919 | \$415,632 | \$8,344,319 | \$13,173,406 |
| INDUCED | \$13,366,929 | \$29,536,259 | \$6,224,512 | \$63,716,496 | \$112,844,197 |
| TOTAL | \$27,712,366 | \$41,873,464 | \$7,844,220 | \$120,925,957 | \$198,356,008 |

Source: Parker Phillips using IMPLAN

METHODS AND PROCESS

In June 2023, the Pennsylvania Association of Broadcasters retained Parker Philips, Inc to update its economic impact study completed in 2020. The overall goal of this study was to provide a credible measure and assessment of the total economic, employment, and state and local tax impact of the radio and television broadcasting industry in Pennsylvania. This economic impact analysis shows the economic, employment, and local and state tax impact of the television and radio broadcasting networks throughout the Commonwealth of Pennsylvania. This economic impact study is reporting the net new contribution of the broadcasting industry to the state's gross domestic product (GDP).



STUDY YEAR:
2023

STUDY TYPE:
Economic Impact

GEOGRAPHY:
Pennsylvania

METHODOLOGY:
IMPLAN

NAICS CODE:
5151 Television and Radio Broadcasting

02

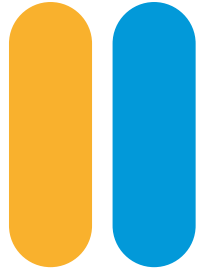


**MAKES
AN**

IMPACT

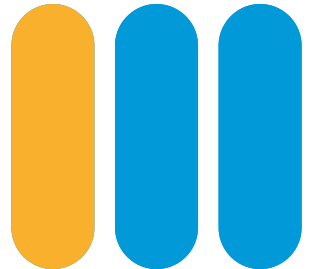
TOTAL COMBINED VALUE ADDED (GDP)

\$3.3 BILLION



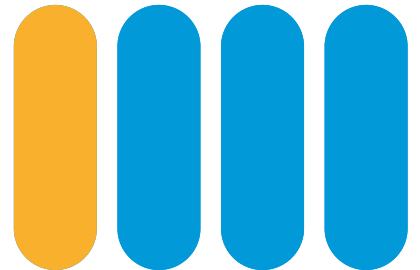
TOTAL COMBINED EMPLOYMENT IMPACT

18,273 JOBS



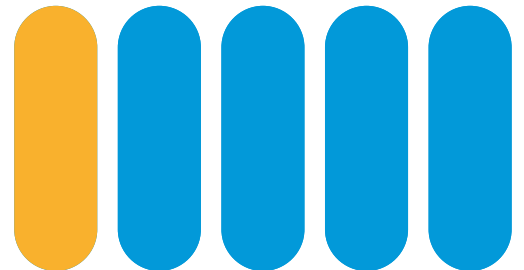
TOTAL COMBINED LABOR INCOME

\$2.8 BILLION



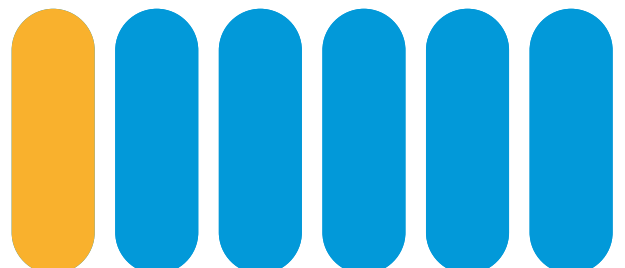
TOTAL COMBINED RADIO AND TELEVISION TAX IMPACT

\$198.4 MILLION



TOTAL COMBINED RADIO AND TELEVISION
COMMUNITY BENEFITS

\$21.2 MILLION



GIVING BACK TO THE COMMUNITY

The broadcast industry is deeply connected to the community it serves. In addition to publicizing events and educational opportunities, television and radio stations give back through fundraisers, toy and food drives, school programs, and charitable events. Unique fundraising events often support hospitals serving children. For more than 25 years, weatherman Joe Snedeker has biked across the state. The "Go Joe" bike ride supports the St. Joseph's Children Center in Scranton and raised more than \$1 million last year. Affiliates in Philadelphia host the "Big 98.1 Loves Our Kids Radiothon" with proceeds benefiting the child life specialists at Children's Hospital of Philadelphia who comfort kids getting medical treatment. For more than 20 years, the fundraiser has made child life services possible.

Food, clothing, and gift drives are also regularly sponsored by television and radio stations. During the holiday season, stations partner with food banks to collect food and money for local families. For the past 30 years, WQBR-FM in Avis has sponsored "Bear Country Christmas Wish" that provides gifts for children in three counties. Other stations sponsor toy drives. Radio stations in the Northern Poconos region challenge listeners to fill pickup trucks with new toys and then a local car dealer matches the donations made by viewers.



Stations have also found innovative ways to make holidays more memorable for children. Through the “KRZ Cares for Kids” program, station employees share letters written to Santa by underprivileged children. Listeners can then adopt the lists and purchase gifts for the children and their families. Thousands of gifts have been donated as part of the program.

Education is a fundamental component of the service broadcasters provide. Stations in DuBois sponsor a yearly “Think, Don’t Drink” program aimed at encouraging middle and high school students to avoid alcohol. As part of the program, students submit their own public service announcements, some of which are played on the radio station throughout the year. Philadelphia stations manage a Youth Media Lab program that includes 55 middle and high schools and has served more than 20,000 students. A Lehigh Valley station sponsors Health Beat, a program focused on educating the community about the social determinants of health including food security, early education, and stable housing.

A commitment to the wellbeing of the community is fundamental to the mission of the broadcast industry in Pennsylvania. Events, fundraisers, and collection drives show how television and radio stations make meaningful contributions while supporting the community.

Stations and staff volunteering and donating at community events generated **\$6.3 million annually**.

Advertising is a main source of revenue for radio and television stations – airtime is valuable. Donating airtime through Public Service Announcements, Public Education Programs, and Non-Commercial Sustaining Announcement spots in 2023 valued at **\$14.8 million**¹.

Twenty nonprofits and government entities took advantage of the program. The largest users of the program include the Commonwealth of Pennsylvania and the Pennsylvania National Guard.



¹Based upon data from Nielsen monitoring, as well as paper and electronic affidavits from PAB Members stations

Initiatives and drives are the most recognizable way stations give back, but sometimes the deepest impact can be felt on the individual level. Keith Blaisdell at ABC 27 recalls moments when customers would call him to ask how to access the SAP channel when he was out to dinner with his wife. In those moments of helping individual customers, all he could think was “we hope that regardless of what station it is, or whatnot, we just want to be the medium that they choose, we want to be their first choice.” This type of personal touch is truly what sets national news media and local news apart: the feeling that the folks helping to bring you the local news are people who share a community with you.

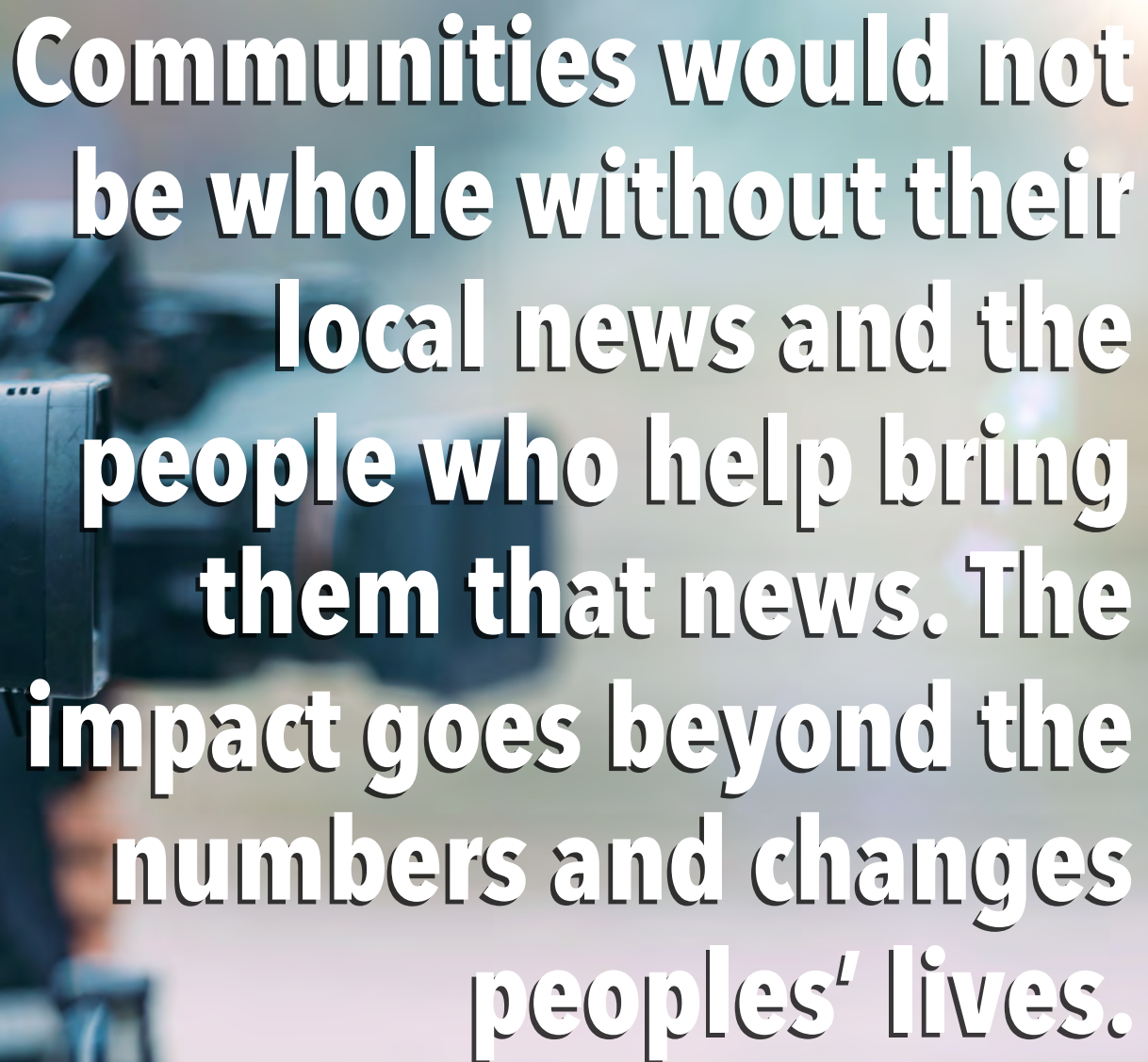
“You realize that in this community, you are part of their family in a very interesting way. You have the privilege of being invited into their homes every day, into their living rooms, into their bedrooms, and they feel like you're part of the family, and you have to really respect that.”

Keith Blaisdell
ABC 27

In rural areas, which national newscasts often overlook, local news is often the most trusted source of important information. During the early days of the COVID-19 pandemic, many local news stations became information hubs where folks would call to ask basic questions about masks, vaccines, and available assistance. On the flip side, local news acts as the first level of defense against mis- and disinformation. Julie Eisenberg from WNEP-Wilkes Barre/Scranton recalled, “when they really needed answers to questions about things happening with COVID, we would legitimately get emails that would say ‘what is true? I’m hearing so many different things. What is true?’ So that was the opportunity for us to be like, ‘Okay, this is what you need to know.’”



Local news is also a key factor in public safety. From reporting on severe weather to following local crimes and everything in between, local news is the most trusted source of information. Staff from ABC 27 in Harrisburg recalled a time where they even helped to save a life: Tishia Falk remembered, “last year, I came into work early one morning and there was a woman who wanted to end her life and she was sitting literally on our doorstep. It was a morning that, for whatever reason, I wasn't supposed to come in at that time. I happened to come in early. And there she was. We were able to calm her down, talk to her. She came to us because there was that element of trust.”



Communities would not be whole without their local news and the people who help bring them that news. The impact goes beyond the numbers and changes peoples' lives.

NORTHEAST

WWRR · WMMZ · WYCK · WTRW · WICK · WCDL · WDNH · WYCY · WPSN · WVIA · WNEP · Cumulus Wilkes Barre WCTO WWYY WLEV WODE WEEX WMGS WBHT WBHD WBSX WSJR · WKRZ · WGGY · WILK · WMOX · WEZX · WEJL · WQFM · WYOU-TV · WDKC · WOLF-TV · WSWB-TV · WQMY-TV · WQPX-Scranton

TOY DRIVE CHALLENGE IN THE NORTHERN POCONOS

Listeners are challenged to fill up at least four pick-up trucks worth of new, donated toys. When full, Wayne County Ford fills up a fifth truck. This past year eight truckloads were filled with toys for kids in need.

FOUNDER'S DAY

Each year on the anniversary of the founding of Nexstar, nearly the entire station donates at least half of our day working at one of four different charities.

WVIA HELPS FIGHT HUNGER IN OUR COMMUNITY

Held June 1 & June 2, 2023. A total of \$45,631 was raised. WVIA is a reflection of our region. And beyond this homegrown programming, we serve the people of our communities with education, health and safety, and civic leadership. During NEPA Gives, WVIA joins forces with Weis Markets to raise money for the Weinberg Northeast Regional Food Bank. Money raised ensures residents have full plates and grateful hearts.

WNEP GO JOE

For 26 years, our morning meteorologist has been cycling through our DMA to raise money for the charity bike ride benefitting St. Joseph's Children's Center. WNEP raised over a million dollars last year.



ANNUAL CUMULUS MEDIA NRG FOOD DRIVE PRESENTED BY WEIS MARKETS

The November event connects hundreds of families with food and supplies through our partnership with Second Harvest Food Bank. We've helped to collect tons of products and nearly fifty thousand dollars in cash donations to help reduce food insecurity in our region.

KRZ CARES FOR KIDS

We post letters to Santa from under privileged children in the care of local agencies. Listeners "adopt" the lists and provide Christmas gifts for the children/families. We have collected and distributed thousands of gifts over the years.

FAIRWAY TO HEAVEN GOLF TOURNAMENT

Annual fund-raising event to benefit charities.

TIOGA COUNTY FAIR

We help with the fair's fundraising efforts every year. This year we fully sponsored 2 track events, making them free to the public, paid for a new sound system for the fair's track, and will be hosting additional raffles to raise funds for the fair.


CENTRAL

WDSN-WCED · WIUP · WQBR-FM · WTAJ · WIFT · WKFT · WPQP · WQQP · WCCR · WCPA · WWCH · Altoona and Johnstown 7 Mountains Media

"THINK, DON'T DRINK"

Priority Media partners with the PLCB for a program to encourage middle and high school students to avoid alcohol. The program encompasses a PSA writing contest for students. The winners voice their own messages, which are played on WDSN and WCED throughout the school year.


MAKING STRIDES AGAINST BREAST CANCER

WTAJ provide support to promote the event, coverage to encourage donations, as well as emcee and video assistance.

7 Mountains Media operates a **SEASONAL TOYS FOR TOTS DRIVE** and a **YEAR-ROUND FOOD PANTRY**. They also run the **CHRISTMAS CAROL** through which 12 families in central PA get help 12 days before Christmas which includes gift cards, and utility and mortgage payments helping families struggling to enjoy the Christmas season.

Seven Mountains Media Altoona WALY 100.1 carried out the **34TH ANNUAL WALY WARMTH PROGRAM** in December 2023. WALY 100.1 programming and sales host a shopping event at Boscov's Altoona for boys and girls in need of new winter clothes, coats, shoes, and pajamas. WALY 100.1 partners with WIC to choose the families! This year we shopped with over 140 kids! Local sponsorships and monetary donations to WALY Warmth make this possible.

Seven mountains Media Altoona FROGGY 98.1 carried out the **52ND ANNUAL CHRISTMAS CAROL PROGRAM** in 2023. FROGGY 98.1 and Christmas Carol granted 12 wishes leading up to Christmas helping 12 families in Central Pennsylvania. This year we helped with mortgages, utility payments, gift cards, grocery cards, new tires, a new furnace, and more! Local sponsorships and monetary donations to Christmas Carol make this possible.

Seven Mountains Media Altoona and Johnstown support local Veterans through **OPERATION THANK YOU!** Over the past 6 years we have collected and distributed over 10,000 Thank You cards to local veterans and beyond. Beginning in early October we encourage listeners to drop off cards at sponsor locations - the response is huge and the veterans are very appreciative. We deliver the cards to assisted living facilities, Van Zandt Medical center, and The Veterans Home in Duncansville Pa.

Seven Mountains Media Altoona and Johnstown recognize students and teachers in our community with our **"DONUT BE A BULLY PROGRAM"**. A \$500 prize for classroom supplies was awarded to a teacher in Johnstown and Altoona and the students got donuts and milk.

Seven Mountains Media Johnstown in partnership with Conemaugh Township Rotary carried out the annual **12 WISHES OF CHRISTMAS AND WEEKEND WISHES** helping over 15 families for Christmas.

GREATER PHILADELPHIA

WPHL · WTXF: FOX 29 · KYW · WBEB · WIP · WOGL · WPHT · WTDY · WXTU · WPEN · WBEN
· WMMR · WMGK · WWDB · WHYI · KYW Newsradio · WPVI-TV

FOUNDER'S DAY

Each year on the anniversary of the founding of Nexstar, nearly the entire station donates at least half of our day working at one of four different charities.

THE BIG 98.1 LOVES OUR KIDS RADIOTHON BENEFITTING CHILDREN'S HOSPITAL OF PHILADELPHIA

For 21 years, we have been supporting Child Life Specialists who are the people who comfort kids at CHOP when they need comforting the most. They are the patients' best friends and the parents' greatest gift. Their department would not be possible without the money raised during Radiothon.

WE BUILD AND HOST CAMP OUT FOR HUNGER

The nation's largest single location food drive collects over 2.8 million pounds of food and over \$1 million over five days. The 26th annual Preston & Steve Camp Out For Hunger event in 2023 from Beasley Media Group's 93.3 WMMR-FM in Philadelphia raised over 1.7 million pounds of food and over \$948,732 dollars cash to directly benefit local hunger relief organizations.

MANAGEMENT OF OUR YOUTH MEDIA LAB PROGRAM

Co-located in 55 middle and high schools. The program has served 20,000 students to date.

ST. JUDE CARES FOR COUNTRY KIDS RADIOTHON

92.5 XTU Philadelphia raised \$313,691 during their annual St. Jude Cares for Country Kids Radiothon in 2023. The station's on-air personalities broadcasted live from 6 a.m. to 7 p.m. both days to raise awareness and funds for childhood cancer research.

93.3 WMMR COOLEST TEACHER

The Preston & Steve Show from 93.3 WMMR has announced their tenth annual Coolest Teacher promotion in 2022, celebrating teachers in the Philadelphia, Pa., area. This fun initiative invites area high school students to get out and vote for the teacher at their school they think is the coolest. Over 150 schools have been featured over the past nine years of celebrating teachers.

OPERATION 6: SAVE A LIFE - WPVI-TV'S FIRE SAFETY PROGRAM

For more than 25 years has donated tens of thousands of smoke detectors and batteries.




NORTHWEST

WESB · WBRR · COOL 101.7 WMVL-FM · WICU · WSEE

COOL 101.7 partners with local entities that raise funds for multiple volunteer fire departments (Vernon Central Hose Co., West Mead VFC #1, Saegertown VFD, Fellows Club Fire and Ambulance). They promote fundraising events that benefit many organizations including: the local **MAKE-A-WISH FOUNDATION, THE MEADVILLE WESTERN CRAWFORD COUNTY CHAMBER OF COMMERCE, CENTER FOR FAMILY SERVICES, ACTIVE AGING, FAMILY COMMUNITY AND CHRISTIAN ASSOCIATION, THE MEADVILLE AREA SOUP KITCHEN, THE CLASSIC IRON CRUISERS** (who raise money through 50/50s to benefit other non-profits), the **YOLANDA G. BARCO ONCOLOGY INSTITUTE, POST 52 WEEKLY DINNERS** (Project Support our Troops and benevolent fund), the **COCHRANTON AMERICAN LEGION MONTHLY DINNERS**, many of the local fairs and items of community interest/involvement.

WICU has led a 20-year-old Thanksgiving food drive, which **HAS RAISED MILLIONS IN DONATIONS AND TONS OF FOOD.**


**SUSQUEHANNA
VALLEY**

WKOK · WQKX · WEGH · WVLY · WGTY · WYCR · WVMM · WPPA · WAVT · WHTM-TV ·
WDAC · WXAC

YWCA WALK A MILE IN HER SHOES

in Hanover, PA. By wearing women's shoes, participating gentlemen symbolically put themselves in the place of women for the purpose of raising awareness about the dire effects of sexual and domestic assault in our community. Funds raised will help to provide services for survivors of domestic violence.



TOYS TO TOTS DRIVE

A 12-hour long broadcast at the local Dunkin where people to bring toys or a monetary gift.

FEED A LOCAL FAMILY

Money and/or food for the regional food bank with week-long donation solicitation about six weeks each year.

NATIONAL DAY OF PRAYER

The station helps organize and lead, promote local events, and broadcast live the evening of the event.

The logo for Greater Pittsburgh, featuring the text "GREATER PITTSBURGH" in white on a blue background with a white outline. A yellow circle is partially visible on the left side of the logo.

GREATER
PITTSBURGH

WJPA · WWNW · WPXI · WMBS

11 CARES - WPXI'S SIGNATURE COMMUNITY PROGRAM

They partner with clients every quarter to drive an initiative of their choosing.

GIANT EAGLE FEED THE NEED RADIOTHON

The Audacy Pittsburgh Family, along with the help of the Pittsburgh community, raised 603,000 meals in 2022 for the Greater Pittsburgh Community Food Bank during the annual "Giant Eagle Feed the Need Radiothon." During the one-day event, news KDKA (1020), sports KDKA-FM (93.7), hot AC WBZZ (100.7), and country WDSY (107.9) broadcast live throughout the entire day, encouraging listeners, local restaurants and businesses to donate meals to neighbors in need.

DVE ROCKS FOR CHILDREN'S RADIOTHON

In 2021, WDVE-FM Pittsburgh raised over \$1 million during the 14th annual "DVE Rocks for Children's Radiothon" in support of UPMC Children's Hospital of Pittsburgh.

BUNDLE-UP TELETHON

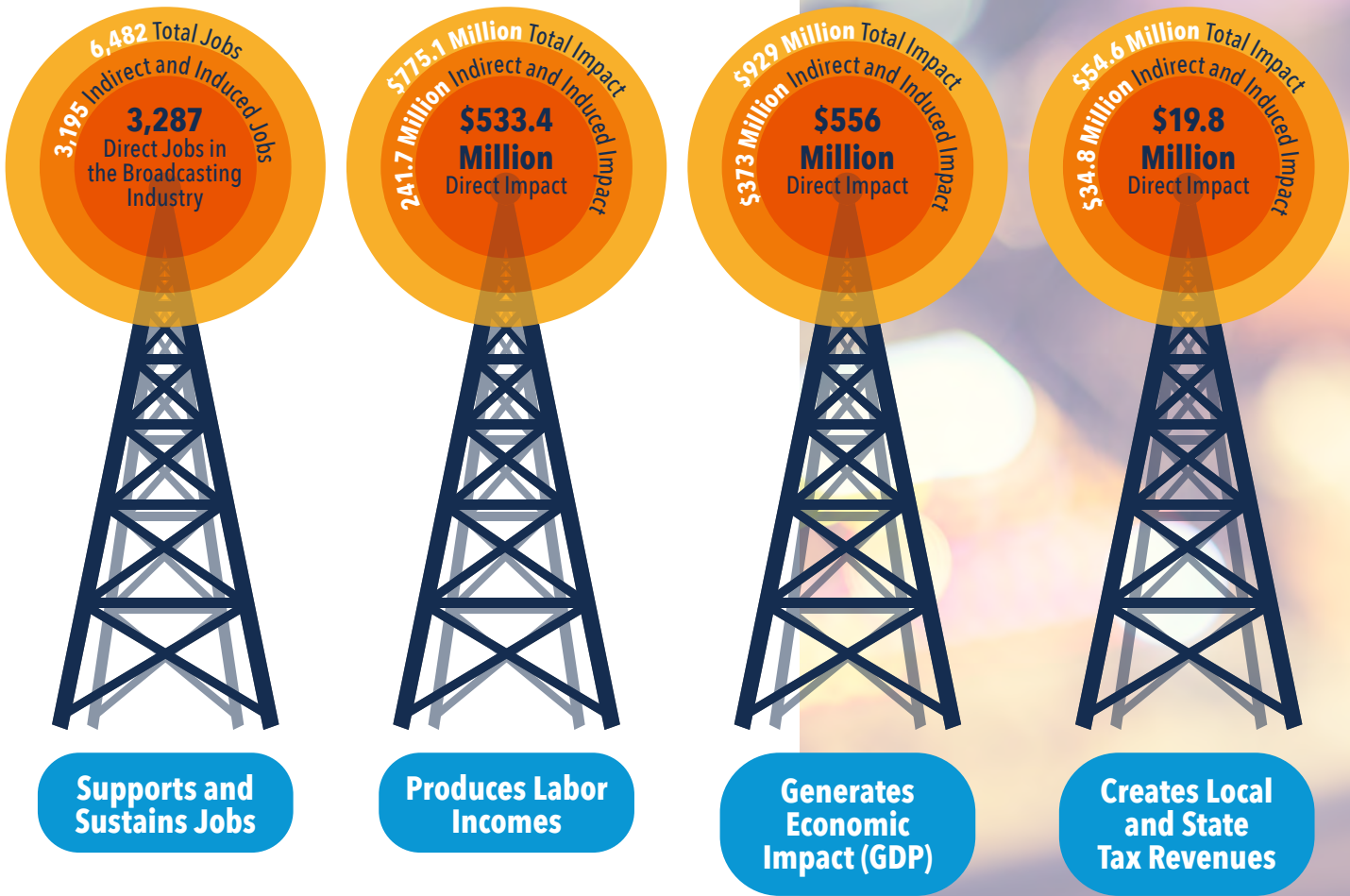
It's a joint community service effort between WTAE-TV Channel 4 and the Salvation Army, Project Bundle Up uses the donation money to provide new coats, hats, mittens, gloves and boots for children and seniors from low income households throughout Western Pennsylvania since its inception in 1986, WTAE-TV's project Bundle-Up has raised \$17 million, providing more than 305,000 children and seniors with NEW winter outerwear across Western Pennsylvania.

PROJECT HUNGER

WTAE Channel 4 created Project Hunger to honor its 60 years of serving communities in southwestern Pennsylvania. The station-wide initiative started in January 2018 to bring awareness to food insecurity issues in local western Pennsylvania neighborhoods. It is a year long initiative, in partnership with Greater Pittsburgh Community Food Bank, culminating in the Project Hunger: Day of Giving telethon in mid-September. Since the beginning in 2018, over \$2 million dollars has been raised. All proceeds benefit the Greater Pittsburgh Community Food Bank.

IMPACT OF THE RADIO INDUSTRY

Pennsylvania's broadcasting industry, on a **direct basis**, employs 3,287 people, generates \$556 million in economic impact, and creates \$19.7 million in state and local tax revenues.



“

"Radio stations in rural communities are the primary source of live and local daily news, entertainment and emergency information. There is no other source that is so ensconced within the community. Our team is dedicated every day to making sure our local listeners have the information they need. We really see the direct impact of our efforts in nearly every aspect of life in the Northern Poconos and Northeast Pennsylvania region."

Vince Benedetto

President & CEO, Bold Gold Media Group

RADIO IMPACT

| | EMPLOYMENT IMPACT (JOBS) | LABOR INCOME | VALUE ADDED (GDP) | OUTPUT |
|-----------------|--------------------------|----------------------|----------------------|------------------------|
| DIRECT | 3,287 | \$533,413,309 | \$556,243,928 | \$503,921,920 |
| INDIRECT | 307 | \$59,914,264 | \$68,867,831 | \$92,049,143 |
| INDUCED | 2,888 | \$181,780,872 | \$304,091,640 | \$514,822,224 |
| TOTAL | 6,482 | \$775,108,445 | \$929,203,339 | \$1,110,793,288 |

Source: Parker Phillips using IMPLAN

TAX IMPACTS OF RADIO

| | SUB COUNTY GENERAL (City and Township Taxes) | SUB COUNTY SPECIAL DISTRICTS (School, Police, Fire, EMS, and Other) | COUNTY | STATE | TOTAL |
|-----------------|---|--|--------------------|---------------------|---------------------|
| DIRECT | \$3,402,966 | \$2,650,174 | \$311,292 | \$13,415,877 | \$19,780,309 |
| INDIRECT | \$510,915 | \$627,616 | \$107,220 | \$2,152,570 | \$3,398,321 |
| INDUCED | \$3,729,071 | \$8,240,673 | \$1,736,679 | \$17,775,582 | \$31,482,005 |
| TOTAL | \$7,642,952 | \$11,518,463 | \$2,155,191 | \$33,344,029 | \$54,660,635 |

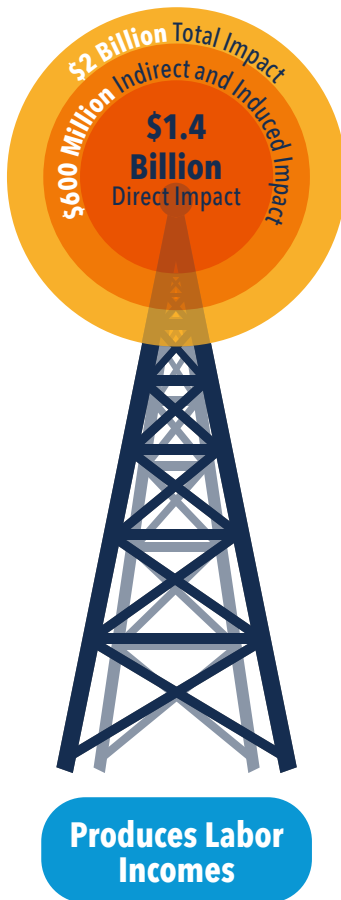
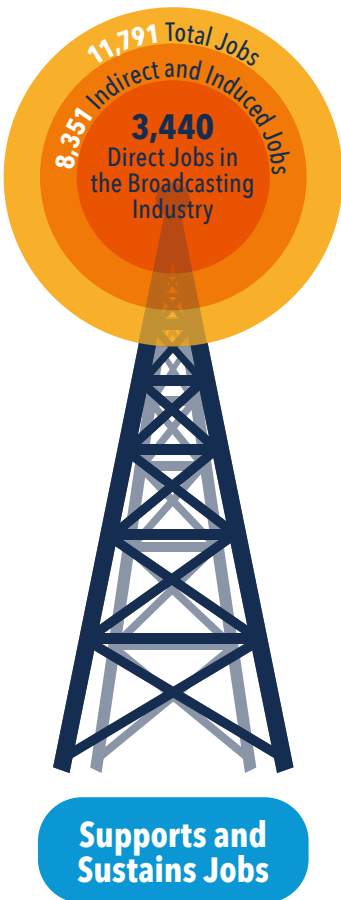
Source: Parker Phillips using IMPLAN





IMPACT OF THE TELEVISION INDUSTRY

Pennsylvania's television broadcasting industry, on a **direct basis**, employs 3,440 people, generates \$1.4 billion in economic impact, and creates \$52.5 million in state and local tax revenues.



“

“We are the glue that connects the community. This region relies on our news coverage more than any other source of news on the air or web. Many non-profits benefit from our support to grow their events.”

Barry Fisher

President and General Manager, WFMZ-TV
Allentown, PA

TELEVISION IMPACT

| | EMPLOYMENT IMPACT (JOBS) | LABOR INCOME | VALUE ADDED (GDP) | OUTPUT |
|-----------------|--------------------------|------------------------|------------------------|------------------------|
| DIRECT | 3,440 | \$1,357,095,653 | \$1,422,766,685 | \$1,449,504,000 |
| INDIRECT | 882 | \$172,340,124 | \$198,094,570 | \$264,774,356 |
| INDUCED | 7,469 | \$469,995,897 | \$786,202,285 | \$1,330,987,251 |
| TOTAL | 11,791 | \$1,999,431,674 | \$2,407,063,540 | \$3,045,265,607 |

Source: Parker Philips using IMPLAN

TAX IMPACTS OF TELEVISION

| | SUB COUNTY GENERAL (City and Township Taxes) | SUB COUNTY SPECIAL DISTRICTS (School, Police, Fire, EMS, and Other) | COUNTY | STATE | TOTAL |
|-----------------|---|--|--------------------|---------------------|----------------------|
| DIRECT | \$8,961,936 | \$7,254,111 | \$892,784 | \$35,449,264 | \$52,558,095 |
| INDIRECT | \$1,469,620 | \$1,805,304 | \$308,412 | \$6,191,750 | \$9,775,086 |
| INDUCED | \$9,637,858 | \$21,295,586 | \$4,487,834 | \$45,940,914 | \$81,362,192 |
| TOTAL | \$20,069,414 | \$30,355,001 | \$5,689,030 | \$87,581,928 | \$143,695,373 |

Source: Parker Philips using IMPLAN

APPENDIX A: TERMS AND DEFINITIONS

| | |
|--|--|
| DIRECT ECONOMIC IMPACT | All direct expenditures made by an organization due to its operating expenditures. These include operating expenditures, capital expenditures, and pay and benefits expenditures. |
| DIRECT EMPLOYMENT | Total number of employees, both full-time and part-time, at the organization based on total jobs, not FTEs. |
| DOLLAR YEAR | Presented in 2023 dollars. |
| GOVERNMENT REVENUE/STATE AND LOCAL TAX IMPACT | Government revenue or tax revenue that is collected by governmental units at the state and local levels in addition to those paid directly by an organization. This impact includes taxes paid directly by the organization itself, employees of the organization and vendors who sell products to the organization, and at the household level. |
| IMPLAN DATA YEAR | 2021 |
| INDIRECT ECONOMIC IMPACT | The indirect impact includes the impact of local industries buying goods and services from other local industries. The cycle of spending works its way backward through the supply chain until all money is spent outside of the local economy, either through imports or by payments to value added (multiplier effect). |
| INDIRECT EMPLOYMENT | Additional jobs created as a result of an organization's economic impact. Local companies or vendors that provide goods and services to an organization increase their number of employees as purchasing increases, thus creating an employment multiplier. |
| INDUCED ECONOMIC IMPACT | The response by an economy to an initial change (direct effect) that occurs through re-spending of income received by a component of value-added. IMPLAN's default multiplier recognizes that labor income (employee compensation and proprietor income components of value added) is not lost to the regional economy. This money is recirculated through household spending patterns causing further local economic activity (multiplier effect). |
| INDUCED EMPLOYMENT | Additional jobs created as a result of household spending by employees of an organization and the employees of vendors. This is another wave of the employment multiplier. |
| LABOR INCOME | Represents the total value of all forms of employment income and encompasses employee compensation and proprietor income. |
| MULTIPLIER EFFECT | The multiplier effect is the additional economic impact created as a result of the organization's direct economic impact. Local companies that provide goods and services to an organization increase their purchasing by creating a multiplier (indirect/supply-chain impacts). Household spending generated by employees of the organization and the organization's suppliers create a third wave of multiplier impact (induced/household-spending impacts). |

APPENDIX A: TERMS AND DEFINITIONS, CONT.

| | |
|---|--|
| STUDY YEAR | 2023 |
| TOTAL ECONOMIC OUTPUT/ ECONOMIC IMPACT | Includes organizational spending on operations, capital expenditures, labor income expenditures, and value added to the economy as a result of expenditures made by an organization. It is the combined impact of direct, indirect, and induced impacts. |
| VALUE ADDED | The total market value of all final goods and services produced within a region in a given period of time. |

APPENDIX B: METHODOLOGY

The Pennsylvania Association of Broadcasters (PAB) provided the primary financial data used to complete the contribution analysis. Data supplied included operating expenditures, capital spending, pay and benefits, and total employees. Primary data from surveys and secondary data were used to complete the input-output models in IMPLAN. The study approach and economic-impact findings are a conservative estimate of impact and are based on actual financial information. The study is a snapshot in time PAB's economic impact.

Primary data used in this study was obtained from the U.S. Census County Business Patterns data. This data was utilized to complete the input-output models as developed by IMPLAN. This model and its economic findings are a conservative estimate of impact and based on actual financial information. All analysis is presented in 2023 dollars.

| | EMPLOYMENT IMPACT (JOBS) | LABOR INCOME | VALUE ADDED (GDP) | OUTPUT | TOTAL |
|-----------------|--------------------------|------------------------|------------------------|------------------------|-------------------------|
| DIRECT | 6,727 | \$1,890,508,692 | \$1,979,010,613 | \$1,953,425,920 | \$5,822,945,495 |
| INDIRECT | 1,189 | \$232,254,387 | \$266,962,401 | \$356,823,499 | \$856,040,288 |
| INDUCED | 10,357 | \$651,776,768 | \$1,090,293,925 | \$1,845,809,475 | \$3,587,880,168 |
| TOTAL | 18,273 | \$2,774,540,118 | \$3,336,266,939 | \$4,156,058,895 | \$10,266,865,952 |

Source: Parker Phillips using IMPLAN

Overview and the IMPLAN Model

The most common and widely accepted methodology for measuring the economic impacts of economic sectors is input-output (I-O) analysis. At its core, an I-O analysis is a table that records the flow of resources to and from companies/organizations and individuals within a region at a given time. For a specified region like a state or the nation, the input-output table accounts for all dollar flows between different sectors of the economy in a given time period. With this information, a model can then follow how a dollar added into one sector is spent and re-spent in other sectors of the economy, generating outgoing ripples of subsequent economic activity. This chain of economic activity generated by one event is called the "economic multiplier" effect.

The primary tool used in the performance of this study is the I-O model and dataset developed and maintained by IMPLAN Group LLC (formerly Minnesota IMPLAN Group, Inc.). IMPLAN is a widely-accepted and used software model first developed by the U.S. Forest Service in 1972. The data used in the baseline IMPLAN model and dataset come largely from federal government databases. The input-output tables themselves come from the Bureau of Economic Analysis. Much of the annual data on labor, wages, seasonal demand, and other market data comes from the Bureau of Labor Statistics, the Census Bureau, and other government sources.

Government agencies, companies, and researchers use IMPLAN to estimate the economic activities associated with spending in a particular industry or on a particular project. The IMPLAN model extends conventional I-O modeling to include the economic relationships between government, industry, and household sectors, allowing IMPLAN to model transfer payments such as taxes.

The model works by tracking the flow of resources to and from companies/organizations and individuals within a region. Producers of goods and services must secure labor, raw materials, and other services to produce their product. The resources transferred to the owners of that labor or those raw materials and services are then spent to secure additional goods and services or inputs to the products they sell. For example, an organization in a region may develop a company that produces cars with a value of \$1 million. However, to produce that product, they may be required to spend \$500,000 in wages and benefits, \$200,000 to suppliers of parts, \$100,000 for electricity, \$50,000 for transportation of goods and raw materials to and from the plant, and \$50,000 in various professional services associated with operating a business (e.g. attorneys and accountants). The suppliers will, in turn, spend those resources on labor and raw materials necessary to produce the trains. Workers and the owners of the company will buy goods and services from other companies in the area (e.g. restaurants, gas stations, and taxes). The suppliers, employees, and owners of this second tier will, in turn, spend those resources on other goods and services either within the study region or elsewhere. The cycle continues until all the money leaves the region.

IMPLAN Methodology

The model uses national production functions for over 536 industries to determine how an industry spends its operating receipts to produce its commodities. These production functions are derived from U.S. Census Department data. IMPLAN couples the national production functions with a variety of county-level economic data to determine the impacts at a state and congressional district level.

To estimate these regional impacts, IMPLAN combines national industry production functions with county-level economic data. IMPLAN collects data from a variety of economic data sources to generate average output, employment, and productivity for each industry in a given county.

IMPLAN combines this data to generate a series of economic multipliers for the study area. The multiplier measures the amount of total economic activity generated by a specific industry's spending an additional dollar in the study area. Based on these multipliers, IMPLAN generates a series of tables to show the economic event's direct, indirect, and induced impacts to gross receipts, or output, within each of the model's more than 536 industries.

APPENDIX C: PA ECONOMY PROFILE

Pennsylvania's 2021 total gross state product (GSP) of \$856.8 billion ranks the state 6th in the nation and a leading global economic hub. The population of the commonwealth is 12,964,056 people. The largest private employer in the commonwealth is Wal-Mart, followed by the University of Pennsylvania.

PA ECONOMY AT A GLANCE

| | TOTAL EMPLOYMENT (JOBS) | GROSS STATE PRODUCT (GSP) | EMPLOYEE COMPENSATION |
|--------------|-------------------------|---------------------------|--------------------------|
| TOTAL | 7,461,882 | \$856,839,056,232 | \$849,551,166,778 |

Source: Parker Philips using IMPLAN



