

FROM: TIMES SQUARE ALLIANCE

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DRAFT FOR REVIEW

TIMES SQUARE ALLIANCE ANNOUNCES RESULTS OF LATEST REPORT ON ECONOMIC CONTRIBUTION OF TIMES SQUARE TO NYC ECONOMY

First Such Study Since Area's Revitalization Finds Total Economic Output Comparable to Combined Size of Bolivia and Panama's Economies

New York, NY May XX, 2007 - **THE TIMES SQUARE ALLIANCE** (President, Tim Tompkins) has announced the results of a recently-commissioned study which analyzes the economic contribution of the jobs, entertainment, and spending that occurs in Times Square to the economy of New York City. This is the first such analysis commissioned since the revitalization of Times Square in the early 90s. HR&A Inc., an economic development and real estate advisory firm, conducted the analysis on behalf of the Times Square Alliance.

"The results of this study are truly remarkable," says Tompkins. "With a determined \$53 billion total economic output, Times Square has positioned itself within the last 15 years as the economic engine of New York City. Within that time, the dynamics of the area has grown from primarily a tourist-centric economy to one that's diversified. With NASDAQ, Reuters, Viacom, ABC-TV and Hearst, among other businesses, now calling Times Square home, the area has become an international financial, business and media hub – a center of commerce whose reach is felt beyond the area, beyond the state and beyond the nation."

The scale of the area's contribution can be seen in comparison to data released in the Central Intelligence Agency's 2007 World Fact Book. The \$53 billion economic output of Times Square is more than 2006 GDPs of Bolivia and Panama combined.

The reports findings include the following:

- **Times Square contributes \$1.1 billion in annual taxes to New York City and \$1.3 billion in annual taxes to New York State.** Times Square's fiscal contribution to the City's is more than the budget for the Parks, Cultural Affairs, Youth & Community Development, Aging, and Small Business Services Departments and the public libraries combined. Taxes to New York State represent \$300M more than total state aid to CUNY.
- Times Square is clearly a major tourism draw and hotel center for visitors to New York and convention-goers to the Javits Center. 25% of all hotel rooms in Manhattan are located in Times Square. **Hotel revenues are \$1.6 billion. Times Square visitors spend more than \$18 billion throughout NYC and a full 80% of visitors to NYC make it a point to visit Times Square.**
- Times Square is one of New York's most important retail and entertainment destinations. **More than \$2 billion is spent annually on restaurants and retail goods there, and an additional \$1.2 billion is spent on Broadway and the many other forms of entertainment in Times Square.**
- What makes the report's findings even more remarkable is that Times Square is a **geographically small space of enormous economic consequence.** While Times Square represents only .01% of the City's land area, 5% of the City's jobs are located in Times Square. Of the 200,000 jobs located in Times Square approximately 70% of these jobs are in finance and the creative industries. Furthermore, these jobs indirectly employ an additional 190,000 workers throughout New York City.
- Last but not least, Times Square is also the window through which many people around the globe view New York City. Every day, more than 10 million viewers see live shots of Times Square through nationally televised programs such as Good Morning America. Annually, over 1,000+ hours of broadcasting are made from Times Square. Times Square is thus an unparalleled marketing vehicle for

New York City, providing priceless advertising for the City on a daily basis. **As one example of Times Square's global ubiquity, worldwide Times Square got 34 million Google Hits on May 1st, as compared to only 2 million for Paris's Eiffel Tower.**

“This report affirms and provides evidence of what we have long suspected,” adds Tompkins. “Times Square is not just one of New York City's most popular destinations - it in essence represents its own distinct and powerful economy within the City, pumping tens of billions of dollars into the local economy. In this way, Times Square is a vital organ to New York City - a critical element in the City's financial landscape.”

ABOUT THE ALLIANCE:

Times Square Alliance, founded in 1992, works to improve and promote Times Square. In addition to providing safety and sanitation services, the Alliance coordinates many major events in Times Square including New Year's Eve, manages an Information Center and advocates on behalf of its constituents with respect to a host of public policy, planning and quality-of-life issues. For more information, log onto www.timessquarenyc.org.

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ADDENDUM

Summary of Statistics

- .01% of City's Land Area; 9% of NYC total economic output
- \$90 billion in total economic output
 - \$55 billion direct
 - \$35 billion indirect
- \$2.4 billion in annual taxes
 - \$1.1 billion City
 - \$1.3 billion State
- \$1.7 billion in annual income taxes to City & State \$250 million in annual City & State sales taxes \$220 million in annual hotel sales and occupancy taxes \$280 million in annual property taxes
- 390K Direct and Indirect Jobs (9% of NYC total) 200K Direct Jobs (5% of NYC total) 190K Indirect jobs
- Critical & Very Diverse Employment Center for NYC
 - 20% of publishing jobs
 - 15% of hotel jobs
 - 15% of legal services jobs
 - 10% of communication jobs
 - 10% of motion picture
 - 5% of the FIRE sector
- \$4.9 billion in direct spending. Far more diverse than one might expect
 - 40% Retail and restaurant
 - 35% Hotel
 - 15% Broadway
 - 10% Other Entertainment & Advertising

- \$3.2 billion Retail & Entertainment Sales
 - \$1.15 billion in annual Entertainment spending
 - \$800 million Broadway
 - \$350 million other entertainment (Madame Tussauds, Caroline's, Multiplexes)

- Marketing Muscle
 - Times Square - 34 million Google Hits on May 1
 - Eiffel Tower - 2 million

- Visitors
 - 80% of visitors to NYC come to Times Square
 - Times Square visitors spend more than \$18 billion throughout NYC
 - 25% of all hotel rooms in Manhattan
 - The 15,000+ rooms in Times Square are more than exist in all of Philadelphia
 - \$1.6 billion in hotel revenues
 - Hotels in Times Square effectively serve as Headquarters hotels for Javits Center

- Residents
 - More people living here than ever - 5,500 units added since 1996; 17,000 residents overall

- 1,000+ hours of annual broadcasting from Times Square