

# Employment

IN NEW YORK STATE

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*The Empire State is a Major League Sports Hub...*

## Professional Sports: Big Business in New York State

New York's sports scene is home to many intense team rivalries: Mets-Yankees, Jets-Giants, and Rangers-Islanders, for example. They have been known to divide family loyalties! No matter what team they're supporting, New York sports fans are among the most passionate fans in the country.

Professional sports is also big business in New York. The Empire State is home to 10 major league teams in the four major North American sports (i.e., football, baseball, basketball, and hockey). This total includes the New York Giants and New York Jets football teams, which play their home games at MetLife Stadium in East Rutherford, NJ. It also includes the Brooklyn Nets basketball team, which recently moved from Newark, NJ. They now

play in the Barclays Center, part of a \$4.9 billion mixed-use commercial and residential development called Atlantic Yards. In addition, all four major North American professional sports leagues have their corporate headquarters in New York City.

Some of the most valuable professional sports teams in the country call New York home. The table on page 3 shows the estimated current value of New York's 10 professional major league sports teams, based on estimates from Forbes. As expected, the New York Yankees easily top the list at \$1.85 billion. Their estimated value is almost \$400 million higher than the No. 2 New York Giants (\$1.47 billion), and \$570 million higher than the No. 3 New

*Continued on page 2*

### At a Glance

In July 2012, New York's seasonally adjusted unemployment rate was 9.1%, up from June's level of 8.9%. The nation's unemployment rate was 8.3% in July 2012. New York State had 8,808,500 nonfarm jobs in July 2012, including 7,331,400 private sector jobs, after seasonal adjustment. The number of seasonally adjusted private sector jobs in the state decreased by 0.1% between June 2012 and July 2012, while the nation's increased by 0.2%. From July 2011 to July 2012, the number of private sector jobs increased by 1.7% in the state and by 1.8% in the U.S. (not seasonally adjusted). New York's Index of Coincident Economic Indicators increased at an annual rate of 2.4% in July 2012.

### Change in Nonfarm Jobs

July 2011 - July 2012

(Data not seasonally adjusted, net change in thousands)

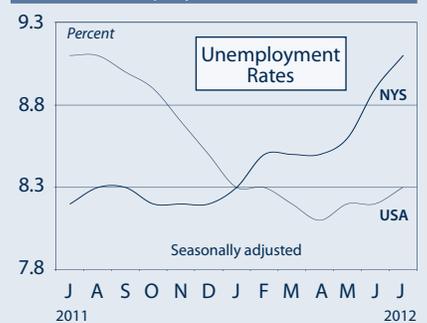
	Net	%
Total Nonfarm Jobs	114.5	1.3
Private Sector	123.4	1.7
Goods-producing	-7.3	-0.9
Nat. res. & mining	-0.1	-1.8
Construction	-6.8	-2.1
Manufacturing	-0.4	-0.1
Durable gds.	4.1	1.5
Nondurable gds.	-4.5	-2.4
Service-providing	121.8	1.5
Trade, trans. & util.	10.4	0.7
Wholesale trade	3.8	1.1
Retail trade	14.1	1.6
Trans., wrhs. & util.	-7.5	-3.0
Information	-6.8	-2.6
Financial activities	10.4	1.5
Prof. & bus. svcs.	52.5	4.5
Educ. & health svcs.	38.5	2.3
Leisure & hospitality	19.1	2.3
Other services	6.6	1.8
Government	-8.9	-0.6

### IN JULY...

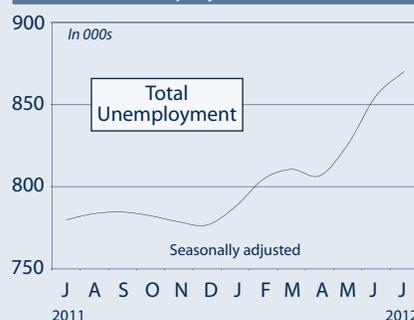
...NYS private sector jobs decreased



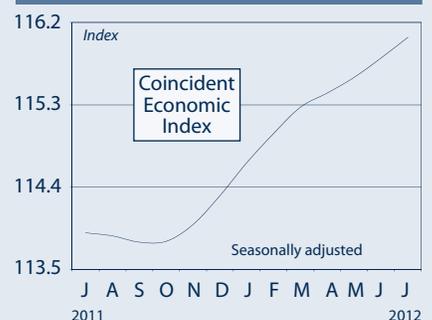
...NYS unemployment rate increased



...NYS unemployment increased



...NYS economic index increased



## Focus on the Southern Tier

Many Bright Spots in Southern Tier's Economic Recovery  
by Christian Harris, Labor Market Analyst, Southern Tier

More than three years after the official end of the "Great Recession" in the U.S., the Southern Tier's economy continues to slowly recover from the lingering effects of the downturn. From 2010 to 2011, the overall private sector job count in the Southern Tier (Broome, Chemung, Chenango, Delaware, Schuyler, Steuben, Tioga, and Tompkins counties) increased by nearly 1,200, or 0.6%, to just under 210,000. The three counties in the region with the fastest private sector job growth in 2010-2011 were:

- Chenango (+8.0%)
- Schuyler (+4.8%)
- Chemung (+2.2%)

All three counties grew faster than the state (+2.0%) and nation (+1.8%) in 2011.

### Higher Education Boosts Region

The Southern Tier's higher education system is a key contributor to the region's economic success. Not only is the region home to several internationally-recognized universities, it also has a number of community colleges and training providers who offer instruction in a broad range of technical fields. Moreover, higher education (public and private) accounts for more than 20,000 jobs in the Southern Tier, or about 1 out of every 12 jobs in the region.

Higher education in the region recently got a boost when Binghamton University's NYSUNY 2020 plan was approved. Under the plan, the university will hire new researchers and faculty, expand its academic offerings and facilities, foster public/private research partnerships,

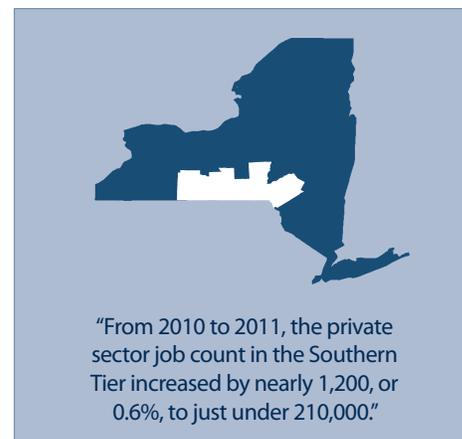
and expand high-tech fields, including a new \$70 million Smart Energy Center. New tuition revenue will also allow the university to increase enrollment by 2,000 students and hire 150 new faculty members between 2012 and 2016. The initiative is expected to create more than 800 jobs.

### Greek Yogurt as Economic Engine

An article in the June 2012 issue of this newsletter discussed the rapid growth of the state's Greek yogurt industry. Chobani, the largest Greek yogurt maker in the nation, was launched in 2007 at an old Kraft Foods plant in the Chenango County village of New Berlin. Today, Chobani has a 17% share of the overall U.S. yogurt market, which is more than double the share of the next most popular brand, Yoplait Original, made by General Mills.

Over the past five years, the company has invested around \$115 million in property and plant improvements. Chobani is installing new machinery as part of an 80,000-square-foot addition to their existing plant. The expansion, including the acquisition of 100 acres of land adjacent to the current facility, has a total project cost of \$88.5 million. The New Berlin plant, which employs more than 1,000 workers, bustles with 14 production lines that ship Greek yogurt around the world.

In addition, Chobani was selected by the U.S. Small Business Administration (SBA) as one of its SBA 100 companies, which features 100 firms that created at least 100 jobs since



"From 2010 to 2011, the private sector job count in the Southern Tier increased by nearly 1,200, or 0.6%, to just under 210,000."

receiving SBA assistance. The company also ranked high (#117) on *Inc.* magazine's annual Inc. 5000 list, based on its rapid revenue growth. According to the magazine, Chobani's revenues grew by 2,662% over a three-year period to \$633.9 million! This was the strongest growth in the Southern Tier, and 5th strongest in New York State.

### Public Sector: Behind the Curve

Like most areas in the nation, the Southern Tier's public sector has been the weak link during the current recovery; between 2010 and 2011, government at all levels shed more than 1,700 jobs. Most job cuts have been at the local level (-1,300), as municipalities and school districts face increasingly tight budgets.

### Summary

The Southern Tier's economy continues to slowly recover from the "Great Recession." While the region has not yet fully bounced back from the downturn, ongoing strength in the Southern Tier's higher education and dairy manufacturing industries should help grow the region's employment base and provide a much needed boost to the local economy. ■

### Professional Sports: Big Business... from page 1

York Jets (\$1.28 billion). A key factor boosting the financial worth of sports teams is the ever-rising value of their TV contracts. In fact, the YES Network, which broadcasts Yankees games (the team also owns a minority share), is worth an estimated \$2 billion to \$3 billion.

The table also shows the wide range in sports team revenues. At \$439 million, the Yankees received the most revenue of any professional sports team in the state by far. Of this total, \$292 million, or 67%, came from ticket sales. The average price of a Yankees ticket was \$63. The Giants ranked No. 2 in revenues with \$326 million, of which \$88 million were from ticket sales. The average price of a Giants ticket was \$112. No. 3 in total revenue were the Jets at \$299 million. The football

team had the highest average ticket price -- \$121 -- of any professional major league sports team in the state.

### Pro Sports by the Numbers

In 2011, professional sports (officially known as "sports teams and clubs" under the NAICS classification system) employed 3,350 in New York State, according to the Quarterly Census of Employment and Wages. This translates to about 5% of the more than 69,000 industry jobs in the United States.

Pro sports teams make an outsized contribution to the Empire State's economy in the wages they pay; in 2011, the state's pro sports industry paid out more than \$803 million in wages. This works out to about \$240,000 per worker.

Pro sports teams also help support their region's economy through the goods and services they purchase, often from local businesses. As a result, they help create "spin-off" jobs. According to input-output analysis, this industry has a jobs multiplier of 1.43. That means for every 100 industry jobs created due to increased demand in the professional sports market, 43 more new jobs are created in industries throughout the state economy.

The jobs multiplier will be at work when the 2014 Super Bowl is held at MetLife Stadium (the first time it will be played in the New York City metro area). Estimates of the game's total economic impact on the region range up to \$550 million.

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## Unemployment Rates in New York State

Data Not Seasonally Adjusted

	JUL '11	JUL '12		JUL '11	JUL '12		JUL '11	JUL '12
<b>New York State</b>	<b>8.3</b>	<b>9.1</b>	<b>Hudson Valley</b>	<b>7.3</b>	<b>8.0</b>	<b>Finger Lakes</b>	<b>7.7</b>	<b>8.4</b>
<b>Capital</b>	<b>7.2</b>	<b>8.0</b>	Dutchess	7.5	8.4	Genesee	6.9	7.4
Albany	7.3	8.1	Orange	8.1	8.9	Livingston	7.4	8.1
Columbia	7.2	7.9	Putnam	6.8	7.1	Monroe	8.0	8.6
Greene	8.4	9.4	Rockland	6.7	7.3	Ontario	6.6	7.2
Rensselaer	7.7	8.5	Sullivan	8.5	9.4	Orleans	9.2	11.3
Saratoga	6.3	7.2	Ulster	8.4	9.4	Seneca	7.3	7.9
Schenectady	7.6	8.4	Westchester	6.9	7.6	Wayne	7.8	8.4
Warren	6.8	7.6	<b>Mohawk Valley</b>	<b>8.4</b>	<b>9.1</b>	Wyoming	7.5	8.2
Washington	7.2	7.6	Fulton	9.6	10.9	Yates	6.7	7.0
<b>Central New York</b>	<b>8.1</b>	<b>8.9</b>	Herkimer	7.8	8.2	<b>Western New York</b>	<b>8.1</b>	<b>9.0</b>
Cayuga	7.5	8.3	Montgomery	9.7	10.9	Allegany	8.9	9.3
Cortland	8.4	9.0	Oneida	8.1	8.7	Cattaraugus	8.6	9.0
Madison	7.6	8.7	Otsego	7.6	8.2	Chautauqua	7.6	8.5
Onondaga	7.9	8.6	Schoharie	8.8	10.1	Erie	8.0	8.9
Oswego	9.8	10.5	<b>North Country</b>	<b>9.3</b>	<b>9.9</b>	Niagara	8.4	9.6
<b>Southern Tier</b>	<b>8.0</b>	<b>8.8</b>	Clinton	10.0	10.5	<b>Long Island</b>	<b>7.2</b>	<b>8.0</b>
Broome	8.5	9.2	Essex	7.8	9.0	Nassau	6.9	7.6
Chemung	7.8	9.3	Franklin	8.7	9.5	Suffolk	7.5	8.3
Chenango	8.0	8.5	Hamilton	4.5	5.3	<b>New York City</b>	<b>9.3</b>	<b>10.2</b>
Delaware	8.4	9.1	Jefferson	8.8	9.4	Bronx	12.8	13.9
Schuyler	7.1	8.2	Lewis	8.5	9.1	Kings	10.2	11.0
Steuben	9.0	9.9	St. Lawrence	10.8	11.1	New York	7.6	8.5
Tioga	7.7	8.4				Queens	8.3	9.1
Tompkins	6.7	7.0				Richmond	8.9	9.7

### Professional Sports: Big Business...from page 2

#### Selected Financial Statistics, New York Professional Sports Teams

Team Name	Current value (\$ million)	Revenue (\$ million)	Gate Receipts (\$ million)	Avg. Ticket Price (\$)
New York Yankees	\$1,850	\$439	\$292	\$63
New York Giants	\$1,468	\$326	\$88	\$112
New York Jets	\$1,284	\$299	\$65	\$121
Buffalo Bills	\$805	\$240	\$45	\$59
New York Knicks	\$780	\$244	\$92	\$90
New York Mets	\$719	\$225	\$103	\$32
New York Rangers	\$507	\$169	\$69	\$59
Brooklyn Nets	\$357	\$89	\$20	\$40
Buffalo Sabres	\$173	\$87	\$30	\$40
New York Islanders	\$149	\$63	\$20	\$58

Source: Forbes

add up; according to SUNY Cortland officials, the 2010 Jets camp drew 41,000 visitors and generated almost \$6 million in economic activity in Cortland County. About 90% of visitors were from New York, representing 59 of the 62 counties in the state. Visitors also came from 32 states and four Canadian provinces.

#### Summing Up

The next time you are cheering on your favorite New York sports team, whether watching in person or on television, remember that pro sports is big business in the Empire State. No matter which team you are supporting, you are part of a much larger economic phenomenon. ■

by Zach Nelson

#### Not Just in the Big City

It would be a mistake to think that pro sports teams only affect the economies of the state's largest cities. For example, in minor league baseball's New York-Penn League, teams range from the Batavia Muckdogs to the Jamestown Jammers to the Hudson Valley Renegades in Wappingers Falls. Some of the teams in the New York Collegiate Baseball League include the Olean Oilers, the Sherrill Silversmiths, and the Adirondack Trail Blazers, who hail from Boonville. There are also minor league hockey teams in cities large and small, such as the Rochester Americans, the Albany Devils, the Elmira Jackals, and the Binghamton Senators.

In addition, New York's three NFL teams take their annual summer training camps on the road to areas where their presence has a major financial impact. The football teams and their summer camp locations include:

- New York Giants (University at Albany)
- New York Jets (SUNY Cortland)
- Buffalo Bills (St. John Fisher College in suburban Rochester)

As fans make the pilgrimage to camps in hopes of meeting the players and getting pictures and autographs, they are contributing to the local economy as they buy gasoline, stay at hotels, and eat at local restaurants. Fan spending can

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## REGIONAL ANALYSTS' CORNER

### CAPITAL

#### **James Ross — 518-462-7600**

Private sector jobs in the Capital Region increased by 4,200, or 1.0 percent, to 418,400 for the 12-month period ending July 2012. Gains were centered in professional and business services (+2,100), manufacturing (+1,300), natural resources, mining and construction (+800), and financial activities (+600). Losses were greatest in trade, transportation and utilities (-700).

### CENTRAL NY

#### **Karen Knapik-Scalzo — 315-479-3391**

For the 12-month period ending July 2012, the private sector job count in the Syracuse metro area remained unchanged at 255,200. Growth was concentrated in trade, transportation and utilities (+1,300) and professional and business services (+300). The largest job losses occurred in leisure and hospitality (-1,000) and manufacturing (-800).

### FINGER LAKES

#### **Tammy Marino — 585-258-8870**

Private sector jobs in the Rochester metro area increased by 8,900, or 2.1 percent, to 440,500 for the 12-month period ending July 2012. Gains were largest in professional and business services (+3,400), financial activities (+1,300), educational and health services (+1,200), manufacturing (+1,200), and trade, transportation and utilities (+1,100). Losses were greatest in information (-400).

### HUDSON VALLEY

#### **John Nelson — 914-997-8798**

Private sector jobs in the Hudson Valley increased by 16,500, or 2.2 percent, to 761,900 for the 12-month period ending July 2012. Gains were centered in leisure and hospitality (+7,700), educational and health services (+4,900), trade, transportation and utilities (+3,600), and professional and business services (+3,400). Losses were centered in natural resources, mining and construction (-2,900) and manufacturing (-1,100).

### LONG ISLAND

#### **Shital Patel — 516-934-8533**

The private sector job count on Long Island increased by 7,900, or 0.8 percent, to 1,058,000 for the 12-month period ending July 2012. Professional and business services (+7,100), educational and health services (+5,900), and financial activities (+4,000) added the most jobs. Losses were largest in natural resources, mining, and construction (-5,100) and leisure and hospitality (-1,100).

### MOHAWK VALLEY

#### **Mark Barbano — 315-793-2282**

For the 12 months ending July 2012, private sector jobs in the Mohawk Valley increased by 4,000, or 2.7 percent, to 152,000. Gains were largest in educational and health services (+2,000), trade, transportation and utilities (+1,000), and leisure and hospitality (+800). Losses occurred in natural resources, mining and construction (-400) and manufacturing (-300).

### NEW YORK CITY

#### **James Brown — 212-775-3330**

Private sector jobs in New York City rose over the year by 72,200, or 2.2 percent, to 3,322,200 in July 2012. Growth was centered in professional and business services (+34,000), leisure and hospitality (+14,000), educational and health services (+13,700), and other services (+7,400). Losses occurred in financial activities (-1,400) and manufacturing (-900).

### NORTH COUNTRY

#### **Alan Beideck — 518-523-7157**

Private sector jobs in the North Country rose over the year by 800, or 0.7 percent, to 116,700 in July 2012. The largest gains occurred in leisure and hospitality (+200), manufacturing (+200), and professional and business services (+200).

### SOUTHERN TIER

#### **Christian Harris — 607-741-4485**

Private sector jobs in the Southern Tier rose by 3,400, or 1.5 percent, to 234,500 for the 12-month period ending July 2012. Gains were largest in educational and health services (+1,100), professional and business services (+1,000), and leisure and hospitality (+700). Losses were centered in natural resources, mining and construction (-500).

### WESTERN NY

#### **John Slenker — 716-851-2742**

Private sector jobs in the Buffalo-Niagara Falls metro area increased over the year by 2,900, or 0.6 percent, to 454,800 in July 2012. Gains were focused in educational and health services (+4,000), natural resources, mining and construction (+1,600), financial activities (+1,300), and manufacturing (+1,100). Losses were greatest in professional and business services (-3,600).

