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FOR IMMEDIATE RELEASE
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Study Shows Cal Poly Has $1.12 Billion Impact on San Luis Obispo County Economy

SAN LUIS OBISPO – Cal Poly has more than $1 billion in annual impact on the local economy, according to a study released today by Orfalea College of Business Finance Professor Kenneth Riener.

Finance Chair and Professor Kenneth Riner speaks at the March 12 press conference

The report, released at a press conference March 12 on campus, is the latest in Riener’s series of studies on Cal Poly’s impact on the economy in San Luis Obispo city and county. Riener, a professor at Cal Poly since 1983, has been studying Cal Poly’s impact on the city of San Luis Obispo, surrounding communities and San Luis Obispo County as a whole since 1990.

“We hope that this study will be of use to policy makers and planners, both on-campus and off-campus in the
various government-sector, private-sector and independent-sector organizations on the Central Coast,” said Riener, who completed the study with the aid of senior OCOB finance student Robert Rendler.

The finance professor’s ongoing study reviews the university’s economic impact in a variety of forms.

It takes into account the results of spending by faculty, staff, and students as well as university expenditures for locally procured supplies, services and construction.

The study also includes the impact of the many visitors the university draws to the area. And it takes into consideration the “multiplier effect” that results from these dollars being re-spent locally. Riener’s report concludes that the combined impact of these expenditures alone on the San Luis Obispo County economy is more than $637 million annually.

Riener’s research also considered such influences as university payroll, university purchases, student spending, retired staff and faculty spending, visitor spending, local capital expenditures, and the increased earning power of local Cal Poly graduates.

Since academic year 1992-93, Cal Poly’s economic impact has grown by over 53 percent, despite Cal Poly’s policy of slow enrollment growth, the study shows. Much of the increase in economic impact has been the result of increased fees paid by students, increased research and grant-related activity, and increased giving by Cal Poly alumni and friends.

Not only does Cal Poly contribute a large proportion of the county’s economic activity, it serves as a major stabilizing force in the economy due to the relatively low variability of employment, the report concludes.

The $1.12 billion overall impact of Cal Poly in San Luis Obispo county represents more than 11 percent of the entire $9.4 billion gross domestic product of San Luis Obispo County, according to the study. Or to put it another way, over $1 of every $9 earned or spent in San Luis Obispo County is due directly or indirectly to Cal Poly, Riener said.

In terms of employment, the economic impact translates into over 10,500 jobs in San Luis Obispo County, which is some 10 percent of all jobs in the county.

The report in its entirety will be available online at the Orfalea College of Business web site, www.cob.calpoly.edu, after 1 p.m. Friday, March 12.

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