



## \*\*\* PRESS RELEASE \*\*\*

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### **SDMAC unveils 6<sup>th</sup> Annual Military Economic Impact Report**

*Contributing billions of dollars to the San Diego region, new report shows defense cluster and military community is even more vital to our region's economy*

**San Diego, CA** – Today the San Diego Military Advisory Council (SDMAC) unveiled its 6<sup>th</sup> Annual SDMAC Military Economic Impact Study (SDMAC MEIS) at a press conference and luncheon at the Admiral Kidd Club located on Naval Base Point Loma.

The annual study, generated by the Fermanian Business and Economic Institute at Point Loma Nazarene University, further solidifies the significant and tremendous impact the defense and military communities bring to the entire San Diego region.

“The combination of San Diego’s military community and defense cluster remains San Diego’s most important economic driver. In fact, new data in the study reinforces even more that San Diego’s military community and defense cluster is vital to our region’s economy,” **said Jamie Moraga, president of SDMAC.** “Our region benefits considerably from defense-related spending and military presence. It means billions of dollars in direct spending right here in San Diego—and hundreds of thousands of jobs for San Diegans. We must never take this for granted.”

California State Speaker Toni Atkins and City of San Diego Mayor Kevin Faulconer participated in the roll-out press conference and spoke about the importance of defense and the military in the San Diego region.

#### **Highlights of the report concluded:**

- An estimated total of \$25.2 billion in direct spending related to defense has been sent to San Diego County during fiscal year 2014, an amount equal to more than \$7,800 for each of the county’s residents.
- Defense-related activities and spending will generate an estimated \$38.7 billion of gross regional product (GRP) for San Diego County in fiscal 2014. This represents 20% of the region’s total GRP.

- The military sector is responsible for about 317,000 of the region's total jobs in 2014 after accounting for all of the ripple effects of defense spending. This represents approximately 22% of all of the jobs existing in the county.
- The jobs created as a result of defense spending span a wide range, including engineering, food services, information technology, cyber security, construction, shipbuilding, health care, real estate, and retailing.
- Income generated as a result of all of the direct and multiplier effects of military-related spending will amount to an estimated \$22.4 billion in 2014. This includes wages, salaries, other compensation, and incomes of proprietors. Note that this figure is less than both the direct spending and GRP estimates that also include rent, interest, corporate taxes, and profits.
- San Diego is home to the Navy's Space and Naval Warfare Systems Command (SPAWAR), an acquisition command that directly employs nearly 5,000 professionals, attracts close to \$1.8 billion in direct spending, and contributes about \$2.5 billion in GRP for the region.
- In fiscal 2014, the 56 ships home ported in San Diego will see direct spending of about \$2.8 billion that will equate to a total economic impact of \$4.5 billion in GRP.
- The two aircraft carriers based here will each add about \$500 million to the economy.
- The two Navy hospitals in San Diego employ about 8,000 individuals and bring in nearly \$1 billion of DoD dollars directly into the region. After accounting for all of the ripple effects, this translates into a \$1.86 billion contribution to the region's GRP.

The San Diego Military Advisory Council is a non-profit, mutual benefit corporation created in 2004 with a mission to support, promote, and represent the common business of the military and its quality of life, and the defense industry community in San Diego.

Learn more: [www.sdmac.org](http://www.sdmac.org).

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