

IMPACT FROM INNOVATION: CARNEGIE MELLON UNIVERSITY (CMU)

ECONOMIC IMPACT STUDY, 2016

Econsult Solutions, Inc. (ESI) was retained by [Carnegie Mellon University \(CMU\)](#), a leading university and research institution, to produce an economic impact study demonstrating the importance of the university as a regional and global economic engine.

Impact from Innovation: Carnegie Mellon University's Role as a Local and Global Economic Engine reports that an estimated \$2.7 billion economic impact is generated by CMU each year—benefitting the Commonwealth of Pennsylvania; the vast majority of that impact taking place within the City of Pittsburgh and the surrounding region. This direct and indirect economic activity supports about 18,000 jobs in Pennsylvania (nearly 10,000 of which are located in the City of Pittsburgh) with total earnings of nearly \$1.2 billion. In addition, it finds that while CMU itself is a not-for-profit institution, the economic activity it produces makes it a large generator of state and local tax revenues.

Our research also explored CMU's role as an integral part of the decades-long transformation of Pittsburgh's regional economy from industrial powerhouse to knowledge center. Pittsburgh is a case study in the transformative power of research and education driven activity to re-orient the key export items of a region from tangible goods to knowledge activity. CMU's resources, including its academic talent, research funding, and ability to attract students from around the country and the globe, have been essential for this transformation.

Our study concludes with an analysis of CMU's role in positioning Pittsburgh to compete as an innovation hub moving forward. The intellectual capital and entrepreneurship activity represented by CMU and the innovation ecosystem has given Pittsburgh a vital "first mover" advantage in evolving fields like robotics, computer science and virtual reality. CMU's reputation, expertise and talent pipeline in these fields have helped to make Pittsburgh a prime destination for cutting-edge technology firms and investment, remaking the city's global brand in the process.

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NEWS

"Carnegie Mellon University Creates \$2.7 Billion in Economic Impact Each Year"

"CMU is at the epicenter of Pittsburgh's economic revival," said Pittsburgh City Councilman Dan Gilman. "The local institutions that have been part of the revitalization are critical as we continue to improve in jobs growth, but we also need to make sure that the new economy is for everybody, from the GED to the Ph.D."

**-Carnegie Mellon University
08/17/17**

"Report: CMU contributes \$1.5 billion to Pittsburgh each year"

"This report provides further evidence of the symbiotic relationship between the university and its region. Pittsburgh has benefited immensely from the activity of its universities, while CMU needs the region to flourish in order to realize its ambitions."

**-The Tribune-Review,
08/17/17**



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