



*The Beacon Hill Institute for
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News Release

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Beacon Hill Institute Survey: Only 11% of Boston businesses expect to cash-in on the convention

BOSTON – A Beacon Hill Institute survey of businesses reveals that only 11% are expecting an increase in business the week of the Democratic National Convention. Seventy-five percent of businesses surveyed expect business activity to decrease or remain the same as last year.

BHI interviewed 100 businesses that accept advance bookings and that are located in or around the Fleet Center, the North End, the Haymarket and Faneuil Hall district, South Station, Back Bay, Beacon Hill and the South End. It conducted the interviews, in person and by phone, over the period of July 12-16.

Twenty-five of the businesses indicated they have contracts to provide goods and services to the DNC. Of these, only eight expect their business to increase that week as compared to the same week last year. Of the seventy-five businesses without a contract, only three reported an increase in bookings.

“This survey indicates that businesses are not cashing in on the convention in the manner predicted by the convention organizers,” said John Barrett, Director Research at the Beacon Hill Institute. “Three fourths of the business owners surveyed expect business to worsen or remain constant and almost two-thirds of the business owners who have contracts with the DNC see no increase compared to last year,” said Barrett.

Of the respondents to the informal survey, the majority, or 52%, expect business activity to be about the same as last year, while 21% expect business to decline and 11% expect it to increase, with 16% not responding.

BHI has conducted several studies on the economic impact of this summer’s political conventions in Boston and New York. Using economic models that translate new spending into the effects on local economies, BHI found that the DNC will lose \$8.2 million rather than gain the \$150 million in economic benefits claimed by convention sponsors. New York City stands to gain \$163 in economic activity, rather than the \$260 million claimed by mayor Michael Bloomberg. Security measures account for the major portion of productivity losses in both cities. BHI estimates of the economic impacts are revised as new security plans for both cities are announced by Secret Service and other authorities.

Complete copies of BHI’s studies on the economics of political conventions are available at www.beaconhill.org.