



Gay Buying Power Projected at \$641 Billion in 2006

New Analysis by Witeck-Combs Communications and Packaged Facts

Washington, D.C. – February 14, 2006 – The total buying power of the U.S. gay, lesbian, bisexual and transgender (GLBT) adult population in 2006 is projected to be \$641 billion, according to the latest analysis by Witeck-Combs Communications and Packaged Facts (a division of MarketResearch.com). The estimate was originally derived in a joint study by both organizations entitled, "*The U.S. Gay and Lesbian Market*." In 2005, the gay buying power projection was estimated at \$610 billion, comparing favorably with the African American, Hispanic and Asian markets.

In sharing the 2006 projection, Bob Witeck, CEO of Witeck-Combs Communications said, "Estimating buying power is a standard business tool for companies and policy decision-makers. This offers us a snapshot of the dynamic economic activity of America's diverse gay, lesbian, bisexual and transgender population." Since 1993, Witeck-Combs Communications, Inc. has provided expert marketing communications counsel to Fortune 500 companies in their strategies to reach the gay consumer market.

Witeck emphasized that "buying power does not equate with wealth nor can one infer that same-sex households are more affluent than others. We have seen evidence from researchers that gay men may earn slightly less than their heterosexual counterparts."

He added that, "the 2000 U.S. Census data on same-sex couples supports the conclusion, however, that gay populations are more concentrated in major metro areas, and less likely to live in rural areas -- a characteristic generally associated with higher than average income. Second, same-sex couples are less likely than their married heterosexual counterparts to have children, and they are more likely to have both partners in the workforce, factors which yield higher per capita household income, especially in the case of gay male couples."

Wesley Combs, President of Witeck-Combs Communications, added: "In today's competitive marketplace, it is no longer prudent for a leading corporation to ignore the buying power of the gay market. Marketers that do risk leaving market share on the table for others to capture."

Based on a range of population samples, the analysis benchmarks between 6% to 7% of the adult U.S. population self-identify as gay, lesbian or bisexual, or between 14 and 16 million adults. [Unlike estimates of buying power for other populations, such as African-Americans or Hispanics, the GLBT

population is estimated only among adults over the age of 18 when they are more likely to be aware of their sexual orientation or gender identity. For other groups, the population total includes all ages.]

Justin Nelson, co-founder and President of the National Gay and Lesbian Chamber of Commerce (www.nglcc.org), highlighted the report's value: "In our partnership with American business leaders, we have seen first-hand the significant contributions the GLBT community make to our economy. Buying power is a valuable metric to signify the combined contributions that we make in the workforce, in the marketplace, and as investors. It is a measure that few can ignore."

"Buying power, we know, is one key signal of the growth and size of the vital GLBT consumer market," said Don Montuori with Packaged Facts. "In our report, we cite buying power as another term for 'disposable personal income,' which is the total after-tax income available to an individual to spend on personal consumption, personal interest payments or savings. According to economists, it roughly equals 86% of income."

The method used for this annual projection is consistent with the Selig Center for Economic Growth at the University of Georgia in its calculation of the purchasing power of niche consumer segments such as Hispanics and African Americans. This methodology uses national aggregate disposable income data that are compiled by the Bureau of Economic Analysis (BEA) of the U.S. Department of Commerce and provide the most authoritative picture of overall purchasing power in the United States. Gay and lesbian purchasing power is calculated by allocating a proportion of aggregate disposable personal income to the gay and lesbian consumer segment.

"The U.S. Gay and Lesbian Market" is now in its fully updated fourth edition, and is considered the most comprehensive authority on accessible, non-proprietary market research compiled by Packaged Facts and Witeck-Combs Communications, Inc. It provides brand-new analysis of the demographic profiles, consumer behaviors, and purchasing power of the estimated 15 million adult gay men and lesbians in the United States. Key characteristics profiled include age, income, and family structure aggregated from many of the most respected datasets available.

Priced at \$3,500, this report can be purchased directly from Packaged Facts by clicking <http://www.packagedfacts.com/pub/952768.html>. It is also available through **MarketResearch.com**.

About Witeck-Combs Communications, Inc.

Witeck-Combs Communications, Inc. (www.witeckcombs.com) is the nation's premier strategic marketing communications firm, specializing in reaching the gay and lesbian consumer. In April 2003, American Demographics magazine identified Bob Witeck and Wes Combs as two of 25 experts over the last 25 years who have made significant contributions to the fields of demographics, market research, media and trendspotting for their pathbreaking work on the gay and lesbian market. Their forthcoming book, "Business Inside Out: Capturing Millions of Brand Loyal Gay Customers" is scheduled to be published this fall by Kaplan Publishing.

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