

# NATIONAL ARTS INDEX

An Annual Measurement of the Vitality of Arts and Culture in the United States



2016  
Report



**ArtsIndex**

A Project of **Americans for the Arts**

**NATIONAL ARTS INDEX 2016:  
AN ANNUAL MEASURE OF THE  
VITALITY OF ARTS AND CULTURE IN THE  
UNITED STATES: 2002-2013**

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## INTRODUCTION

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This is the sixth and final publication of the National Arts Index, Americans for the Arts' annual report on the health and vitality of arts and culture in the United States. The 2016 National Arts Index is a highly-distilled measure of the health and vitality of arts in the U.S. It is composed of 81 equally-weighted, national-level indicators of arts and culture activity during the 12-year span of 2002 to 2013. The 2013 National Arts Index score is 99.8 compared to a baseline of 2003=100. This is an increase over the 2011 and 2012 scores.

Indicators are ubiquitous in our society, providing regular updates on areas of broad interest like the stock market or the overall economy—well-known measures that provide a common language and understanding. For example, if someone says that the “Dow” is going up or down or that Gross Domestic Product (GDP) is rising or falling, we understand these to be broad measures of stock market performance or overall economic strength. Indicators typically compress large amounts of data into a single number. They are calculated the same way (e.g., daily for the Dow, or quarterly for GDP), making it easy to compare past and present—and anticipate the future.

### **Benefits of Indicators**

**Communications:** Indicators represent a language that is well understood and respected by community leaders. They transform complex information into communication tools that can be readily understood by policy makers and the public.

**Evaluation:** Indicators enable decision makers to assess progress toward explicitly stated values and goals. Longitudinal data is a marker for results-based accountability, performance standards, and other statistical tracking endeavors.

**Policy Development:** Reliable trend data play an important role in informing policy makers about community needs and contributing to improved programs.

**A Foundation for Decision Making:** A solid foundation of awareness about trends can give decision makers the confidence to take next steps and set goals. Indicators can provide early warnings—scanning the environment for emerging opportunities and crises (e.g., budget deficits vs. surpluses).

**Community Dialogue:** Some people simply like to be informed about the state of their community and how and why it's changing. Indicators provide a common currency of language among funders, policy makers, and industry professionals. They improve the quality of the public dialogue about the arts and culture by providing understandable quantitative components to what is often a visceral discussion.

**Planning and Forecasting:** Access to consecutive years of data about one or more specific areas make it easier to forecast the future path of activity in that area.

**Building Partnerships:** Developing indicators collaboratively can provide arts leaders with a better understanding of the values that drive the community—and how to incorporate the arts into that value system. Indicators help non-arts leaders better understand the value of the arts as a core element of their community which in turn can lead them to become more effective advocates for public support and better partners.

## Why an “Arts Index?”

From our vantage point back in 2005, we saw many individual studies of artists, markets, nonprofit vs. for-profit arts businesses, and audiences, but few of them focused on the whole arts system—and even those were intermittent. The National Arts Index has been a 10-year initiative to fill this gap. It is broad, systemic, and annual. The first Index report was published in 2010 as the U.S. was emerging from the Great Recession, and there was little understanding of its impact on the arts. This 2016 report documents how the nation’s arts sector fared pre-, during, and post-Recession.

The significance of arts and culture to American life makes the vitality of the arts a matter of pressing interest, and good information about the condition of the arts is a critical element of that interest. The arts are a fundamental component of a healthy society, based on virtues that touch the individual, community, and the nation—benefits that persist even in difficult social and economic times:

- **Aesthetics:** The arts create beauty and preserve it as part of culture
- **Creativity:** The arts encourage creativity, a critical skill in a dynamic world
- **Expression:** Artistic work lets us communicate our interests and visions
- **Identity:** Arts goods, services, and experiences help define our culture
- **Innovation:** The arts are sources of new ideas, futures, concepts, and connections
- **Preservation:** Arts and culture keep our collective memories intact
- **Prosperity:** The arts create millions of jobs and enhance economic health
- **Skills:** Arts aptitudes and techniques are needed in all sectors of society and work
- **Social Capital:** We enjoy the arts together, across races, generations, and places

It is the health of the arts industries—and their ability to sustain themselves over time and deliver these valuable benefits—that we refer to as the “vitality” of arts and culture. This is what the National Arts Index tracks over time.

While the National Arts Index annual score is a single number (99.8 for 2013), the full report contains extensive detail on the many forms of arts and culture activity measured by the 81 indicators. The Table of Contents gives a quick view of all indicators. The data for these come from the most reliable sources in the federal government and private-sector organizations. Past indicator values are monitored and updated, as these sources often revise their past data. Revisions, availability of new data, and expiry of other series all make the Index somewhat dynamic. As evidence of this, 2013 data for five indicators could not be obtained in time for this report, recent years have seen as many as 1-in-5 indicators undergo multi-year data revisions by their producers, and seven indicators used in our early reports became unavailable in 2011 (these can be viewed in the Appendix of this report).

We set all the data in the context of our ever-changing environmental setting of population, economy, prices, and employment. This helps distinguish changes in the arts from trends affecting all sectors. For example, if attendance at a particular art form increases ½ percent per year—while total population grows 0.78 percent—then that art form is effectively losing market share, not gaining.

All of the indicators in this report are organized into **The Arts and Culture Balanced Scorecard**, a logic model of the ecology of the arts that links the indicators into a unified system and provides a holistic overview. Four key dimensions comprise the model:

1. Financial Flows—philanthropy, artist income, business revenue, payments for artistic services
2. Capacity—artists, organizations, employment
3. Arts Participation—consumption of arts activities, attendance, experiences
4. Competitiveness—the position of the arts compared to other sectors—market share, how the arts compete for philanthropy, discretionary spending

In 2013, the sector included 2.21 million artists in the U.S. workforce, 766,000 self-employed artists, 95,000 nonprofit arts organizations and 656,000 additional arts businesses, as well as hundreds of millions of consumers who spent \$151 billion on the arts. This report goes beyond individual stories about stabilization and sustainability in the arts, declining demand and the shuttering of arts organizations, or the challenges and triumphs of specific art forms. The Index presents these stories as part of a broad evidence-based platform about the arts at a national level. What this context shows is that, along with the rest of the economy, the arts have recovered slowly and unevenly. While the nation’s economy began to rebound in 2009, the arts recovery did not begin until 2012.

This is only the national story. Every community has its own local story. The Americans for the Arts Local Arts Index provide a similar set of measures (though over a shorter time span) for all U.S. counties. You can find it freely available at [www.ArtsIndexUSA.org](http://www.ArtsIndexUSA.org).

### **Ten Years of the National Arts Index: A Look Back, A Look Ahead**

We have all long been in the hunt for more data, better data, data that demonstrates value and impact, and data that helps us track and make sense of trends. In 1967, three years before he wrote *Future Shock*, futurist Alvin Toffler penned an entire paper on the issue, *The Art of Measuring the Arts*, which calls for better arts data:

**“A cultural data system is needed to provide information for rational policy-making in the cultural field and to assist those outside the field in understanding their impact on it.”**

It was in the early 2000s that the Americans for the Arts Board of Directors asked its staff to develop the National Arts Index as part of its strategic plan for the organization—something akin to a “Dow-Jones Industrial Average for the arts” or a “Framingham Heart Study for the arts.” While there was an abundance of excellent arts research, the leadership sought a more encompassing tool reflective of the entire arts system, one that would be delivered in jargon-free language that arts and non-arts leaders alike could use to communicate about the value, health, and impact of the arts. It was envisioned as an annual tool that would be fodder for public policy and built largely on extant data produced by reliable sources such as the federal government. Thus, the idea was born. The work began in 2005. The Rockefeller Foundation and David & Lucile Packard Foundation provided early seed money; we studied national indicators from other sectors to learn from them; consulted scores of scholars, policy makers, and practitioners (who we thank in the Appendix of this report); and set about creating an index. Our first mistake was figuring it would take two years; it ultimately was closer to five years.

The first report was released at the National Press Club in early 2010, and a new report has been published annually. As the largest aggregation of arts data, the National Arts Index was an early entrant in world of “Big

Data.” In hopes of inspiring additional research, all Index data was made freely available to the public ([www.ArtsIndexUSA.org](http://www.ArtsIndexUSA.org)). Out of the National Arts Index emerged its local complement, the Local Arts Index, thanks to the generous support of The Kresge Foundation. The Local Arts Index is a county-level arts data system built to promote more local usage of data in policy making, provide a framework for relating arts and culture to community priorities and aspirations, and to provide that “common currency of language” that so many community leaders and decision makers need to better understand the arts. The National Arts Index also served as the blueprint for arts indexes in the UK and Netherlands among other efforts, as well as a data archive used by scholars, policy professionals, and advocates alike.

**This report concludes the 10-year National Arts Index initiative. We thought this an opportune time to call out several trends that bear watching, tips for the next researchers who pick up the challenge of tracking the arts in the U.S., and points of interest that we have highlighted in past volumes.**

1. **The arts track the economy, with a slight lag.** This one will seem obvious to most; we always hear of arts struggles during a recession. Now we can have the conversation anew with the data in hand. A study of the Index data going back to 1999, spanning two recessions, confirms that our empirical observations are on target. When the economy dips, so does the Index score. While some indicators may be up during a recession, we see a majority of them in decline. The arts overall, however, are a little slower to fully bounce back than the economy at large. That is, they lag the nation’s recovery. While we hesitated to make predictions or forecasts using National Arts Index data, we did estimate that it would take the arts until 2012 to show a turnaround. (We were correct, and we’re retiring from future projections while we’re 1-for-1.)
2. **Audiences are changing how they choose to engage in the arts.** How the public participates in and consumes the arts is ever-expanding—increasing demand to consume the arts using technology, continued growth in college arts degrees conferred annually, and a public seeking more active engagement in their arts choices. The data indicate that people are not walking away from the arts, but they are walking away from some of the traditional delivery mechanisms—downloading music instead of buying a CD from a retail store, or watching an opera simulcast at the cinema instead of live in the opera house. One of our great data discoveries was Scarborough Research, which conducts large-scale market research studies involving more than 200,000 interviews annually on a wide range of consumer behaviors, including participation in arts activities.
  - In 2013, 31 percent of the adult population attended a live performing arts event—a long and steady drop from 40 percent in 2003.
  - Art museum attendance also continues a slow decline, with 12.9 percent of the population attending at least once in 2013, which is down from 15.5 percent in 2003.
  - Almost certainly related is the decreasing share of households making contributions to the arts—a figure that dropped annually between 2007 and 2012, from 9.3 percent to 8.2 percent, before showing a fractional uptick to 8.3 percent in 2013.
3. **Technology is changing audience engagement and the arts delivery models.** The effects of technology have been undeniably swift, but it depends where one sits on the “arts production-to-consumption food chain” as to who the winners and losers are.
  - Since 2003, half of the nation’s CD and record stores have disappeared. The public, however, has hardly stopped listening to music. Digital downloads of singles grew from 139 million units

- to 1.33 billion between 2004 and 2013. Annual data about downloads was not even collected until 2004, yet in 2013 it accounted for 37 percent of total music industry sales, while streaming providers like Pandora and Spotify represent an additional 27 percent of recording industry revenues. Thus, nearly two-thirds of industry revenues are now digitally generated.
- Similarly, bookseller revenues fell even while the number of books in print grew, thanks to more self-publishing, print on demand, eBooks, and downward pressure on prices. Yet, prominent retailers such as Amazon are now opening book and music store establishments—actual bricks and mortar. Has a new cyclical system of commerce been established that takes us from the store to online and back to the store again?
  - Savvy nonprofit arts organizations are using technology to broaden their audience base and enrich the audience experience, like the successful Metropolitan Opera simulcasts (2,000 theaters in 66 countries and 3 million tickets sold annually).
  - As ever, technology can be a two-edged factor; it has fundamentally altered the business model for artists. More musicians now deal directly with consumers on line, selling songs to fans, crowdfunding their recordings, and letting fans help build their touring schedules—trends that tend to bypass traditional record labels, ticketing, and promoting businesses.
4. **Arts nonprofits continued to experience financial challenges:** The percentage of arts organizations operating at a deficit has ranged from 36 percent in 2007 (during a strong economy) to 45 percent in 2009 (the deepest part of the recession). In 2013, a time of improved economic health, 42 percent of arts nonprofits still failed to generate positive net income—a figure that raises concerns about the long-term sustainability of arts organizations. Larger-budget organizations were more likely to run a deficit, though no specific arts discipline is particularly more likely to run a deficit. While some of these organizations have reserves available to manage these financial situations and other deficits may be the result of federal accounting and tax filing requirements, it is clear that the budget fortunes of nonprofit arts organizations got worse during the Great Recession and have been very slow to recover.
5. **Annual data collection of indicators is an ongoing challenge.** Consider this more of a caution to future researchers rather than an excuse for busting all those well-intended publication deadlines. We were told by the research directors who manage indicators for other industries to expect significant data delays, existing indicators to cease being published, and multi-year data revisions to arrive at any time during the year. All true, it turns out.
- Indeed, when we began, the music recording industry barely tracked digital download sales. Now it comprises half of industry revenues.
  - We've buried seven wonderful indicators that the producers of that research stopped generating.
  - Many data sources revise their historical record of prior years' data. While these adjustments changed the index scores annually, they never reversed the overall trend established in our multi-year narrative.
6. **The arts are not the only game in town.** Competitiveness is an important lens for examining vitality. It's easy to use glowing adjectives about the arts and their inspirational benefits. But other elements of society might be equally or more inspiring or successful. To help understand the arts' context in these changing environments, we compared our indicators to the ever-changing settings of population, economy, prices, and employment. Doing this helps us distinguish changes in the arts from trends affecting all sectors, and made what initially appeared like good news, troubling news. For

example, in 2011, private sector giving to the arts increased in total dollars, but the arts actually lost overall market share of charitable giving. Mere tenths of a percentage point is a difference of millions of contributed dollars. If for example, the arts had a 4.8 percent share in 2008 instead of 4.1 percent, they would have received \$14.4 billion instead of \$12.3 billion—a \$1.1 billion difference.

7. **Provision of arts education is out of sync with student demand:** A multi-year trend of decreases in K-12 arts education finally rebounded in 2013. Between 1998 and 2009, the percentage of college-bound seniors with four years of arts or music grew from 15 percent to over 20 percent. Since 2009, however, the share of SAT test takers bringing this credential to their college application process slid.
  - Did the pervasive K-12 arts education cuts in the 2000s have the downstream effect that was long a concern? One of the benefits of the Index is that it provides a data-driven opportunity to begin conversations about these key issues.
  - In 2013, this arts-educated population was about 18 percent of all SAT test-takers. Ironically, the College Board reports show that students who take four years of arts or music average about 100 points better on the verbal and math portions of the SAT, compared to those with a half-year or less.
  - Even with downward trends in the number of high school arts and music classes taken by college-bound seniors, college-level demand in this area continues to increase. The number of college arts degrees rose steadily from 75,000 to 139,000 between 1997 and 2013. Reasons for this include an increase in design degrees along with the appeal to college students of double-majors combining arts with humanities, social sciences, and physical science (or other STEM disciplines). Similarly, the percentage of SAT test takers who indicate an intention to major in the arts grew from about 6.5 percent to nearly 8 percent between 2004 and 2013. This is promising news for business leaders looking for an educated and creative workforce.
8. **The arts really do inspire.** Year after year, entrepreneurial arts organizations nurture new ideas, innovative leaders, and creative energy. One Index indicator tracks premiere performances and films. Between 2002 and 2013, audiences were treated to more than 11,500 new works—over 150 new operas, 1,446 orchestral works, 3,054 plays, and almost 6,500 movies. Regardless of the economic cycles, America’s arts industries continued to produce new and exciting work for their audiences.
9. **Keeping to the Index design principles:** We originally took counsel from prominent policy index projects in the Conference Board, University of Michigan, United Way of America, American Lung Association, and Institute for Supply Management. Their guidance was clear:
  - Set durable standards for the integrity of the data.
  - Be transparent and forthright about data provenance, weaknesses and strengths.
  - Keep a steady year-to-year method of deriving a final Index number.
  - Remember that all indexes have flaws, just be sure it is “built using the best data available.”
10. **Two indicators are strong predictors of changes in the Index score.** While the primary purpose of the National Arts Index was to track trends, we were curious which indicators most closely correlated to the NAI score over time. There were two bellwethers for the arts over the long term: (1) Total charitable giving and (2) overall civilian employment. This combination of factors explained a substantial 72 percent of the change in the Index value between 1999 and 2013. Again, this makes a lot of sense. People who are working, and are more confident of a growing job market, have more discretionary income to engage in the arts both personally and as consumers, and are also financially more able to make charitable contributions. An environment where charitable giving rises is healthy for the

arts. Improvements in the labor markets and overall private philanthropy in 2014 and 2015 are signs of better things to come for the arts.

**Thanks for Reading!**

Those are ten of many stories that emerge from our 10-year National Arts Index initiative. While the feature Index score is a single number derived from 81 indicators, each of those 81 indicators is assembled annually from raw data that tells its own story. Each indicator has its own report page for those who want to probe and explore more deeply to test those findings against their current reality. Arts data gathered over time enables us to build a community dialogue about the vitality and value of the arts, to have community-wide conversations about how the arts thrive using language and terminology that resonates across a community. The National Arts Index offers a beginning to these conversations, not the end.

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## EXECUTIVE SUMMARY

The 2016 National Arts Index delivers a score of the health and vitality of arts and culture in the United States, covering the 12-year span of 2002-13. The National Arts Index is composed of 81 national-level indicators—the latest annual data produced by the federal government and private research organizations. It is set to a base score of 100 in 2003. Every point difference is a one-percent change from that year. This year’s report provides the fullest picture yet of the impact of the Great Recession on the arts—before, during, and after. The National Arts Index score grew in 2013 to 99.8, an increase over a revised 2012 score of 97.4. The impact of the Great Recession of 2008-09 on the arts was swift and measurable: the four-year drop from 2007-11 nearly doubled the five-year gains made between 2002 and 2007 (-6.6 vs. +3.5 percentage points, respectively). As of 2012, an arts recovery was underway, which continued into 2013, as the Index value climbed to near its 2003 baseline.

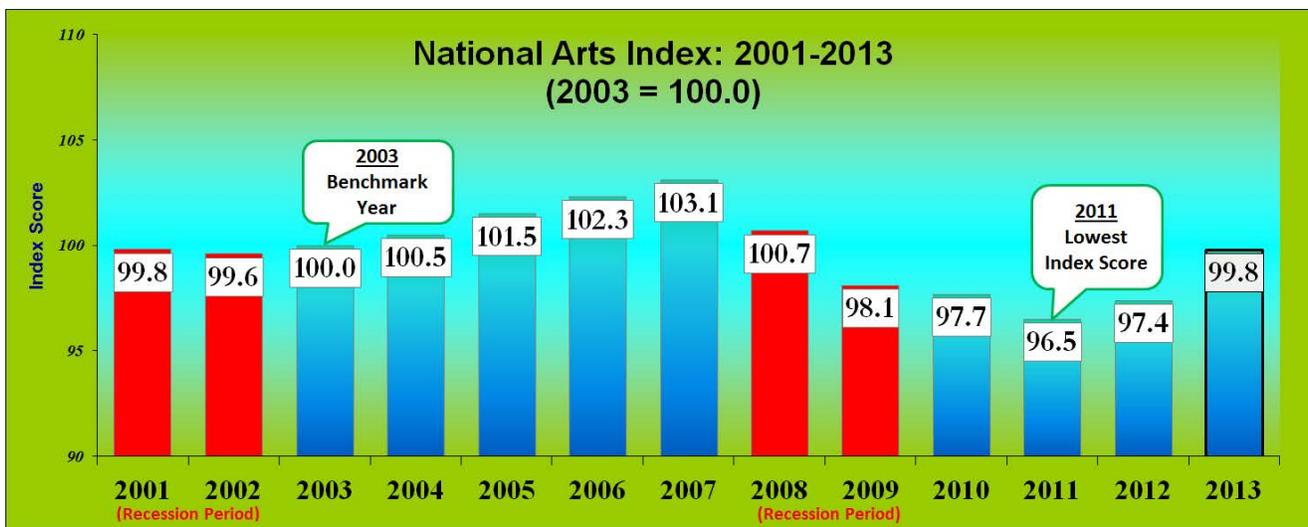


FIGURE A. NATIONAL ARTS INDEX

Like many sectors of the economy, the arts recovered slowly and unevenly from the recession due to industry contraction and consolidation, the impact of technology, slow rebounds in philanthropy, and tepid consumer spending. During the economically robust years of 2002-06, more than 50 percent of the indicators increased annually. Between 2007 and 2009, however, less than one-third of the indicators increased. In a key sign of continued improvement, more than half (55 percent) of the indicators increased in 2013.

There is no “maximum” Index score, though higher is better. A score of 120, for example, would be the highest ever and convey that the arts are a highly-integrated component of society—characterized by strong financial health, ample capacity, innovation, vigorous public participation, and a vital competitive position in American life.

## CHAPTER 1. KEY FINDINGS FROM THE NATIONAL ARTS INDEX

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The National Arts Index summary score of 99.8 in 2013 is just a fraction below the 2003 Index baseline of 100.0. This chapter calls out some key trends and findings from the 81 indicators that, together, comprise the aggregate score.

- 1. The arts continued to recover from the Great Recession in 2013:** The arts are an economic force in the United States. In 2013, there were 95,000 nonprofit arts organizations and 656,000 more arts businesses, 2.21 million artists active in the workforce, 766,000 self-employed artists, and \$151 billion in consumer spending. Figure A shows the Index growing in the middle part of the past decade, along with the economy, followed by a decline during the Great Recession and beyond, and finally renewed growth to go with economic strengthening. It appears the general economic recovery that started in 2009 helped to stabilize the arts beginning in 2012 and continued through 2013.
- 2. Arts nonprofits continued to experience financial challenges:** The percentage of arts organizations operating at a deficit has ranged from 36 percent in 2007 (during a strong economy) to 45 percent in 2009 (the deepest part of the recession). In 2013, a time of improved economic health, 42 percent of arts nonprofits still failed to generate positive net income—a figure that raises concerns about the long-term sustainability of arts organizations that are unable to achieve a break-even budget. Larger-budget organizations were more likely to run a deficit, though no specific arts discipline is particularly more likely to run a deficit. While 42 percent of the nonprofit arts organizations running a deficit is a serious cause for concern, this is actually only several percentage points worse than the universe of all charitable nonprofit organizations. While some of these organizations have reserves available to manage these financial situations and other deficits may be the result of federal accounting and tax filing requirements, it is clear that the budget fortunes of nonprofit arts organizations got worse during the Great Recession and have been very slow to recover.
- 3. Arts attendance is fluid:** In 2013, 31 percent of the adult population attended a live performing arts event, slightly less than 2010, but much less than the 40 percent of 2003. Art museum attendance also continued a slow decline, with 12.9 percent of the population attending at least once (down from 15.5 percent in 2003). Attendance at live popular music concerts, however, is growing (from 23 percent in 2003 to 25 percent in 2013). Focusing in on specific art forms, attendance at symphony and opera increased in 2013, while audiences for movies and theatre got smaller.
- 4. Public funding of the arts stabilized.** While federal funding has stayed fairly stable across the range of programs funded by Congress (about \$1.9 billion per year), there were six consecutive years of declines in state dollars flowing to state arts agencies. In 2013, that trend was reversed as the improving economy loosened the purse strings held by state legislatures. Local government support of local arts agencies fell for a shorter time, then increased in 2012 and again in 2013. Periodic budget accords in Congress have preserved the funding level of most of the major federal agencies for budget years through 2016.
- 5. Prospects are good for continued health in the arts.** Since 2002, total charitable giving and overall employment are two indicators that help explain the health of the arts sector. People who are working, especially within the confidence of a growing job market, have more discretionary income to engage in the arts both personally and as consumers, and are also financially more able to make charitable contributions. Thus, the increases in employment and in overall levels of charitable giving in 2014 and 2015 are promising signs for the arts.

## CHANGES IN AUDIENCE ENGAGEMENT

How the public participates in and consumes the arts is ever-expanding. Tens of millions of people attend concerts, plays, operas, and museum exhibitions every year—and those that go frequently attend more than once and enjoy multiple art forms (sometimes called the “cultural omnivore”). Digital tools afford consumers access to more personally-curated engagement in their arts experiences. Technology lets consumers select between in-person participation and experiences as well as remote experiences through media. The evolving delivery model is digital, so arts producers whose business model relies on in-person engagement by the audience have to compete in different ways. The public is certainly not walking away from the arts, but they are walking away from some traditional models of delivery. Here are some interesting shifts in how audiences consume and participate in the arts:

- **Technology is changing audience engagement and the arts delivery models:** The effects of technology have been undeniably swift, but it depends where one sits on the arts production-to-consumption food chain as to who the winners and losers are. For example, since 2003, half of the nation’s CD and record stores have disappeared. The public, however, has hardly stopped listening to music. Digital downloads of singles grew from 139 million units to 1.33 billion between 2004 and 2013. Annual data about downloads was not even collected until 2004, yet in 2013 it accounted for 37 percent of total music industry sales, and recent evidence shows that it has grown since then. Streaming providers like Pandora and Spotify represent an additional 27 percent of recording revenues. Similarly, bookseller revenues fell even while the number of books in print grew, thanks to more self-publishing, print on demand, eBooks, and downward pressure on prices. Savvy nonprofit arts organizations are using technology to broaden their audience base and enrich the audience experience, like the successful Metropolitan Opera simulcasts (2,000 theaters in 66 countries and 3 million tickets sold annually). As ever, technology can be a two-edged factor. There is concern that simulcasts of the arts are cannibalizing live attendance, though research on theaters in the UK indicates this is not the case. Technology has even altered the business model for artists. More musicians now deal directly with consumers online, selling songs to fans, crowdfunding their recordings, and announcing their touring schedules. All of these trends tend to bypass traditional record labels, ticketing and promoting businesses
- **Arts and music preparation by college-bound seniors stabilized, following years of decline:** A multi-year trend of decreases in K-12 arts education finally saw a rebound in 2013. Between 1998 and 2009, the percentage of college-bound seniors with four years of arts or music grew from 15 percent to over 20 percent. Since 2009, however, the share of SAT test-takers bringing this credential to their college application process slid, suggesting that pervasive arts education cuts in the 2000s had the downstream effect that was long a concern. In 2013, this arts educated population was about 18 percent of all SAT test-takers. Ironically, the College Board also reports that students who take four years of arts or music average about 100 points better on the verbal and math portions of the SAT, compared to those with a half-year or less.
- **Demand for college arts degrees increases:** Even with downward trends in the number of high school arts and music classes taken by college-bound seniors, college-level demand in this area continues to increase. The number of college arts degrees rose steadily from 75,000 to 139,000 between 1997 and 2013. Reasons for this include an increase in design degrees along with the appeal to college students of double-majors combining arts with humanities, social sciences, and physical sciences. This is promising news for business leaders looking for an educated *and* creative workforce. Similarly, the percentage of SAT test takers who

indicate an intention to major in the arts grew from about 6.5 percent to nearly 8 percent between 2004 and 2013.

- **Consumer arts spending flat at \$151 billion:** Since 2002, discretionary consumer spending on the arts (e.g., admissions, musical instrument purchases) has remained in the \$150 billion range. Because total consumer spending increased over time, however, the arts' share slipped from 1.83 percent in 2002 to 1.32 percent in 2013. As economic revitalization in coming years builds employment and consumer buying power, the arts are poised to compete better.

**Millions of Americans volunteer in the arts:** Two Index measures show the range of volunteer engagement in the arts. Volunteering at an arts organization was the choice of service for over 2.2 million people in 2013, up 16 percent from 1.8 million in 2010. In another federal study of volunteerism, 5.7 million Americans say that arts activities (such as playing music) are their main activities while volunteering, regardless of type of organization they volunteered for (a school or church, for example). Taken together, these show the depth and range of what volunteers contribute to the arts.

### CONTINUING TRENDS AND CHALLENGES

**Arts employment remains strong:** A variety of labor market indicators show growing levels of employment, especially when compared to labor market difficulties facing all sectors of the economy.

- The number of working artists has grown between 2002 and 2013 (2.10 to 2.22 million). Artists remain a steady 1.5 percent of the total civilian workforce.
- The self-employed “artist-entrepreneur”—active as poet, painter, musician, dancer, actor, and in many other artistic disciplines—is alive and well, with numbers growing steadily between 2002 and 2013 (554,000 to 766,000).

**America's arts industries have a growing international audience:** The arts help reduce the U.S. international trade deficit.

- U.S. exports of arts goods (e.g., movies, paintings, or jewelry) increased from \$64 to \$75 billion between 2010 and 2012, up 17 percent. With U.S. imports at just \$25 billion, creative goods delivered a \$48 billion trade surplus in 2012. (2013 data were unavailable for this report.)
- The U.S. Department of Commerce reports that the percentage of international travelers including art gallery and museum visits on their trip has grown since 2003 (17 to 24 percent), while the share attending concerts and theater performances grew from 13 to 17 percent.

**Arts organizations foster creativity and innovation through new work:** Year after year, entrepreneurial arts organizations nurture new ideas, innovative leaders, and creative energy. One Index indicator tracks premiere performances and films. Between 2002 and 2013, audiences were treated to more than 11,500 new works—over 150 new operas, 1,446 orchestral works, 3,054 plays, and almost 6,500 movies. Regardless of the economic cycles, America's arts industries continued to produce new and exciting work for their audiences.

The balance of this report shows why these issues emerged since 2002. Chapter 2 provides detail on how the Index data were assembled, and presents the “Arts and Culture Balanced Scorecard” model as a way to frame the information using four broad dimensions: (1) measures of financial flows into and through the arts, (2) the capacity of the arts to deliver service, (3) levels of arts participation, and (4) the competitiveness of the

arts. Chapters 3 through 6 report on each of these four dimensions of the model as well as the 81 individual indicators. Chapter 7 presents the National Arts Index methodology.

### CHANGES IN NATIONAL ARTS INDEX INDICATORS IN 2016

As we concluded gathering material for this report, data for five indicators were not yet available for 2013. Their values from 2002-2012 are included, but they do not figure into the mathematics of creating the 2013 Index score.

1. Constant dollar value of US exports of creative goods (Indicator #10)
2. Foundation arts and culture funding (#12)
3. Arts share of Gross Domestic Product (Indicator #58)
4. Arts and culture share of foundation funding (#65)
5. U.S. share of world creative goods trade (#79)

Seven data series shown in past National Arts Index reports became unavailable in 2011, and have thus been “retired.” Their prior year values are still available in Appendix F.

Most dollar measures are deflated to constant dollar values in this report. This year’s report changes the base year for constant dollars used in previous reports from 2008 to 2013. Inflation-adjusted “constant dollars” figures are in 2013 dollars. This does not change any of the Index scores, because they all retain the same proportional relationship to the Index base year of 2003.

## CHAPTER 2. THE “ARTS AND CULTURE BALANCED SCORECARD”

Chapter 1 introduced the Index. This chapter moves the Index narrative along by showing how the annual indicator data can tell new stories about the systemic character of the arts, and how the elements of the arts ecology interact with each other. We introduce the ways in which we saw the benefits produced by the arts and the systematic approach we took to measuring them.

To illustrate this, we introduce the data used to build the Index and show a logic model, the “Arts and Culture Balanced Scorecard,” which links all of the indicators to each other as dimensions of the arts system. Drawing on the highly regarded and widely used Balanced Scorecard system developed by Robert Kaplan and David Norton, the Arts and Culture Balanced Scorecard (ACBS) helps organize how we thought about evaluating the overall vitality of arts and culture. In building the Scorecard, we drew on lessons from various sources, including systems analysis, program evaluation, measurement of cultural capacity around the world and in different regions and arts industries, and other policy index reports.

### THE DATA IN THE NATIONAL ARTS INDEX

To best explain this model, we start by briefly describing the data used to compute the National Arts Index. The 2016 Index is composed of 81 indicators of arts and culture activity, measured annually at a macro, national level. We report and analyze each individual indicator in a standard format for the years from 2002 to 2013 (we also maintain 1996-2001 data for some indicators). All indicators meet the following eight criteria:

1. The indicator has at its core a meaningful measurement of arts and culture activity.
2. The data are national in scope.
3. The data are produced annually by a reputable organization.
4. Nine or more years of data are available, beginning no later than 2003 and available at least through 2012.
5. The data are measured at a ratio level (not just on rankings or ratings).
6. The data series is statistically valid, even if based on sample.
7. The data are expected to be available for use in the Index in future years.
8. The data are affordable within project budget constraints.

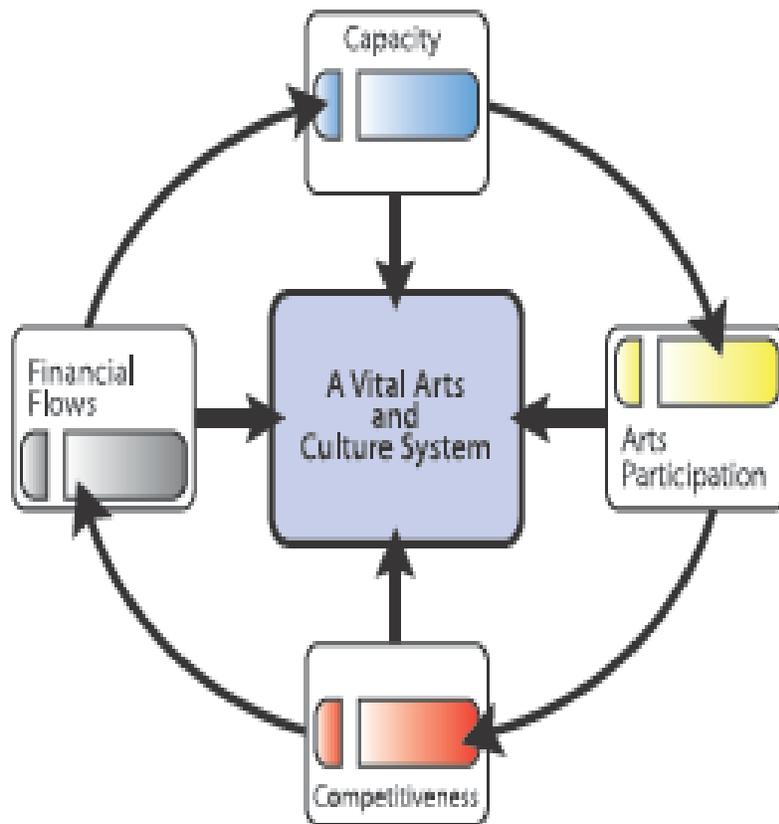
The data that we found were then “indexed” or set to a base of 2003 using procedures described in Chapter 7.

### BUILDING THE ARTS AND CULTURE BALANCED SCORECARD

We identified four different views or “dimensions” of the arts system that captured the data we found: financial flows, organizational capacity, arts participation, and competitiveness of the arts. These four dimensions are the basis for the *Arts and Culture Balanced Scorecard* (ACBS) system, which gathers indicators into groups based on where they best fit into this systemic view of the arts ecology.

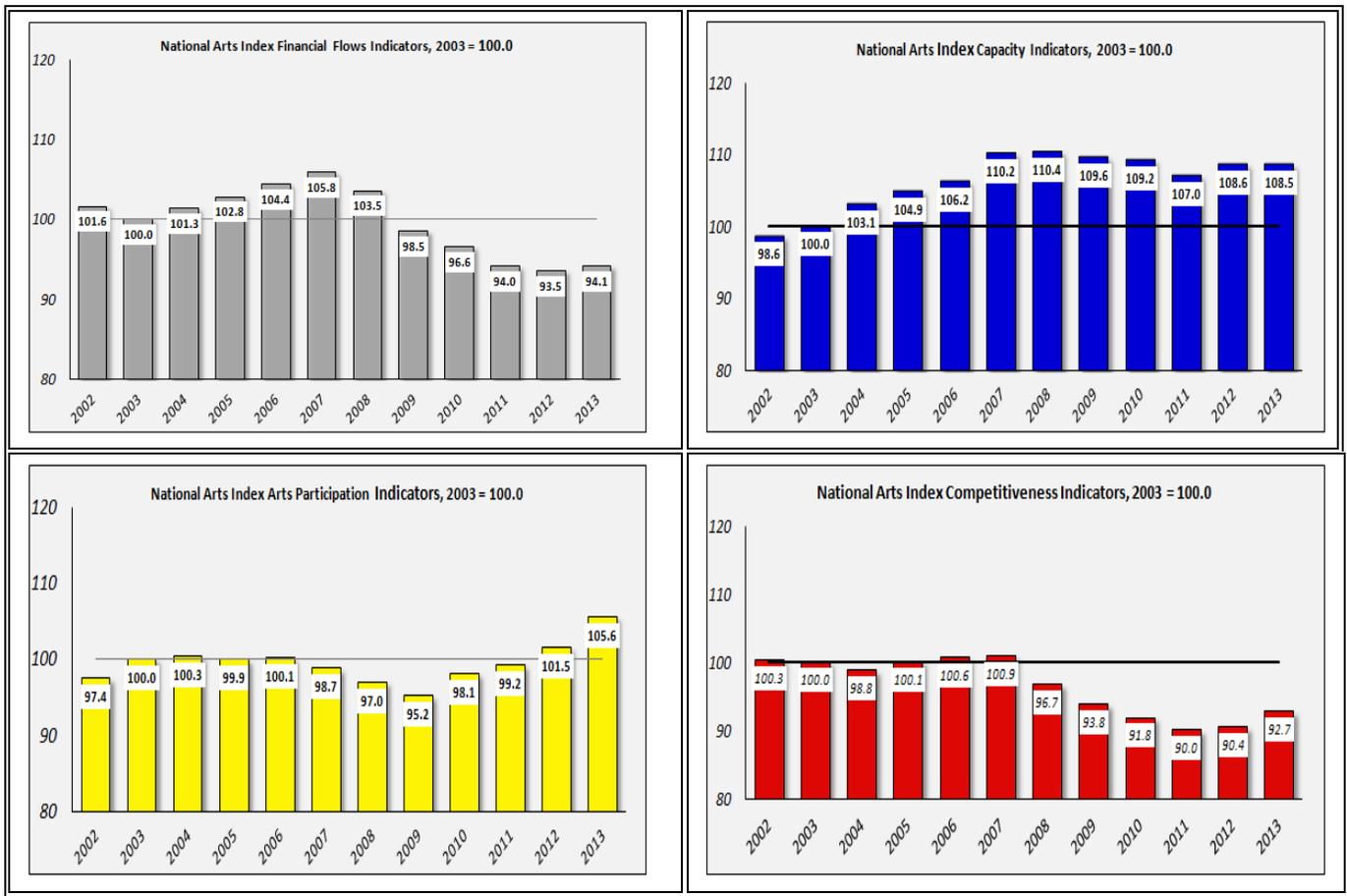
ACBS is a descriptive model, rather than a predictive one, and is a tool for placing the many individual indicators of arts vitality in a systemic relationship with each other. We organized them so that every individual indicator is associated with only one of the four main dimensions of the ACBS model. These four are shown in Figure B:

1. Financial Flows include private and public support to institutions, pay of individual artists, and revenues of arts businesses and nonprofits. All of these are payment for artistic services and provide fuel for capacity to produce arts activities and experiences for arts audiences.
2. Capacity indicators measure stocks of institutions, capital, employment, and payroll levels in the arts and culture system. Capacity and infrastructure transform financial flows into arts activities.
3. Arts Participation indicators measure actual consumption of those activities, which may be in the form of goods, services, or experiences.
4. Competitiveness indicators illustrate the position of the arts compared to other sectors in society, using measures of market share and economic impact.



**FIGURE B. THE “ARTS AND CULTURE BALANCED SCORECARD”**

What the ACBS shows, and what the rest of the report illustrates in more detail, is a more fine-grained picture of where the arts are doing well and where they are struggling. Figures in the ACBS dashboard below are also shown at the beginning of chapters 3-6 along with an explanation of their development.



**FIGURE C. THE ARTS AND CULTURE BALANCED SCORECARD DASHBOARD (2003 = 100)**

1. Financial flows into the arts (gray, top left quadrant) grew from 2003 to 2006, and then fell regularly after since 2007. Overall, they increased in 2013 for the first time after five years of decline.
2. In the 2000s, more and more capacity has been added to the arts (blue, top right quadrant), in numbers of artists, individuals in the workforce, nonprofit arts organizations and arts businesses and other entities that create infrastructure. Growth leveled off starting in 2007, but across all indicators overall stayed stable through 2013.
3. The level of arts participation (yellow, bottom left quadrant)—especially attendance—dropped in the early 2000s, grew gradually from 2002 through 2006, fell through 2009, and then improved to a new high in 2010-2013 on a range of indicators.
4. The competitiveness of the arts (red, bottom right quadrant), showing how the arts compete for audience members’ time and money, and for donor and funder commitment, fell in four straight years before starting to grow 2012. In this dimension, the expanding U. S. population has a noticeable effect because participation and attendance are measured from a market share perspective.

## DIMENSIONS AND INDICATORS IN THE ACBS

The 81 indicators were assigned to ACBS dimensions as follows:

**TABLE 1. INDICATORS IN THE ACBS**

Dimensions	Financial Flows	Capacity	Arts Participation	Competitiveness	Total
Indicators with data for this report	15	15	22	24	76
Data not available for 2013	2			3	5

Chapters 3 through 6 present summaries of each of the four dimensions in turn, along with detailed data that comprise the 76 individual indicators from 2002 to 2013, and five others with all years but 2013. All indicators associated with each dimension are presented together and reported with the following:

- A list of specific indicators that comprise that dimension for 2013.
- A column chart showing the average of those indicators for years 2002 through 2013 with available data, indexed against the 2003 value, and then multiplied by 100. All scores are calculated by dividing every year's indicator value by its value in 2003, which makes the 2003 score for any dimension equal to 100.0. They are averages, giving equal weight to each indicator within each dimension for every year.
- The number of indicators for which data was available in each year.
- A brief discussion of how the indicators in that dimension changed from 2002 to 2013.

Chapters 3 to 6 present each individual indicator on a separate page, including:

- An explanation of the particular area of interest, and a description of the indicator data, including its sources and limitations (with additional source information in Appendix E).
- A column chart with the Index score for the chosen data series for all available years from 2002 to 2013, indexed against the 2003 value. This means that the 2003 value is 1.00 for every indicator. The Index Score (vertical) axis is scaled from 0.50 to 1.50, a range that fits all but a few Index scores.
- A table of the data used to make the Index score from 2002 to 2013. The upper lines in the table show the raw data used, and any calculations or adjustments. The second-to-last line has the numbers used to make that index score, with each year's number divided by the number in 2003. The last line of each table is the resulting Index score for each year. It is this Index score that is displayed in the column chart.
- For indicators using specific codes (as for industries and occupations), the codes are in the appendices.

Starting with the 2013 report, we removed some indicators that were included in earlier Index reports. This happened because reliable data are no longer available for years past 2009 in one case, and past 2010 in six other cases. Historical values for all seven are included in Appendix F, including descriptions, figures, and tables.

## CHAPTER 3. FINANCIAL FLOWS INDICATORS

*Financial Flows* is the first of the ACBS dimensions. For 2013, it is made up of 17 Financial Flows indicators, all expressed in inflation-adjusted or “constant” 2013 dollars. These indicators measure how revenues entering the sector come from customers, donors, and public support, and are used to finance nonprofit and commercial arts activities. The ordering of the indicators is (roughly) in a sequence of individual arts workers’ income, business income, nonprofit income, private philanthropy, and government funding.

The individual indicators described in the following 17 pages result in a Financial Flows score of 94.1 for 2013, based on eight indicators that increased over 2012, three that stayed the same, and four that decreased. No data was available for another two indicators that do not figure into the 2013 Index score calculation.

Tables 2 and 3 show the indicators used in the Financial Flows dimension, and how many of them make up the overall Financial Flows score in each year. Those scores are shown in Figure D, below.

**TABLE 2. FINANCIAL FLOWS INDICATORS (2013 CONSTANT DOLLARS)**

1.	Songwriter and composer performing rights royalties
2.	Wages in artistic occupations
3.	Payroll in arts and culture industries
4.	Publishing industry revenue
5.	Bookseller sales
6.	Musical instrument sales
7.	Recording industry shipment value
8.	Total album sales
9.	Concert industry ticket sales
10.	Exports of creative goods (no data available for 2013)
11.	Revenue of arts and culture nonprofits
12.	Foundation arts and culture funding (no data available for 2013)
13.	Private giving to arts and culture
14.	United arts fundraising campaigns
15.	Federal government arts and culture funding
16.	State arts agency legislative appropriations
17.	Local government funding of local arts agencies

**TABLE 3. FINANCIAL FLOWS INDICATORS PER YEAR**

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
15	17	17	17	17	17	17	17	17	17	17	15

Averaged across all available data for each year, they produce the following 12-year trend:

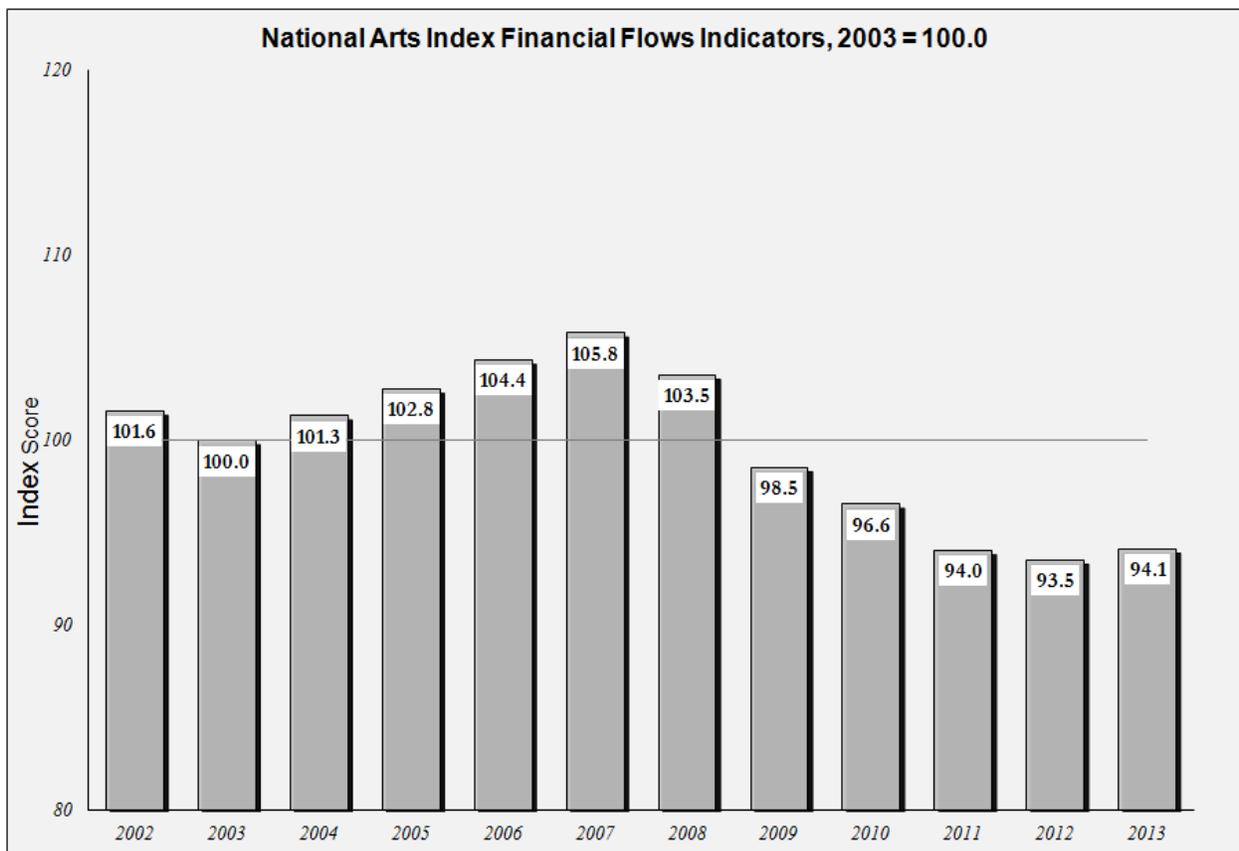


FIGURE D. NATIONAL ARTS INDEX FINANCIAL FLOWS INDICATORS (2003 = 100.0)

The 17 indicators in this dimension represent financial resources measured in dollars. They function as fuel for the arts workers and organizations that produce artistic activities, goods, products, and experiences. Market sales results show the total size of the market that all competitors are trying to reach. Some examples of financial resources coming into the sector include royalties earned by composers and songwriters, salaries earned by workers in artistic occupations, and revenues of nonprofit arts organizations. Other indicators measuring financial resources include several measures of government funding.

All indicators measured in dollars are converted into constant dollars using the Consumer Price Index (CPI) set to a base of 100.0 in the year 2013. Using “real” or inflation-adjusted dollars shows the constant purchasing power of dollars.

Inflation has been low on an annual basis since the late 1990s, and has subsided even more in the last years of the 2000s; the CPI measure actually declined very slightly in 2009. Nonetheless, it had a cumulative effect: inflation averaged a fairly low 2.6 percent from 2002 through 2013, which compounded to a total change of about 30 percent. In 2013, this meant that almost 30 percent of the change in dollars generated over the 11-year span by arts entities was not because of more volume (i.e., more art, more performances, and more books). Rather, it was the effect of general price level changes on overall revenues. Inflation had an especially negative effect in arts sectors facing declining sales; this can be seen in indicators measuring publishing,

bookselling, recorded music, and musical instruments. In those industries, inflation accentuated declines in sales measured in current dollars.

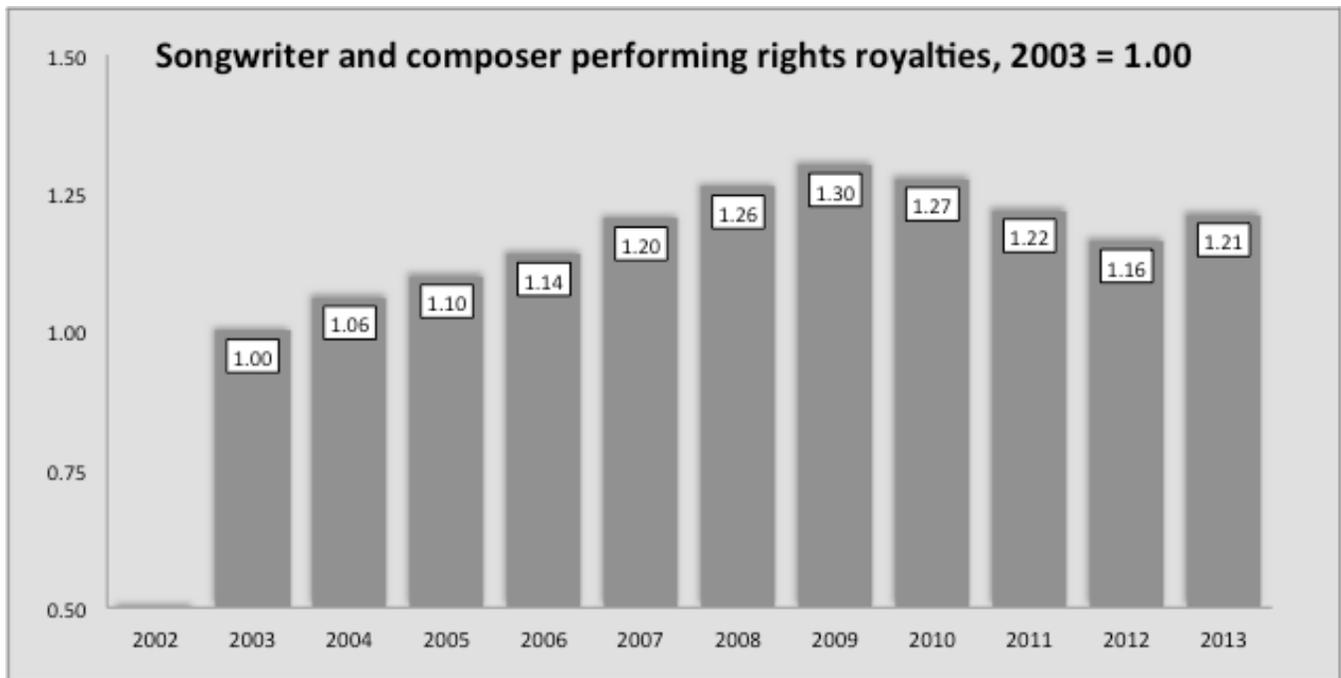
Cumulatively, the 15 available Financial Flows indicators show that the sharp decline in the Financial Flows dimension in 2010 continued in 2012 to a revised score of 93.5, but then increased in 2013 to 94.1—part of a slow, but consistent, recovery from the Great Recession. This implies that financial flows measured in the selected indicators are cumulatively about 5.9 percent below their levels in the base index year of 2003.

The following 17 pages provide additional detail on what has been an uneven flow of resources available to arts and culture. Considered together, these indicators confirm in specific terms that the reduction in resources flowing into the arts industries has at least slowed, and as of 2013 showed an initial turnaround. This chart reveals a path of growth from 2002 through 2007, when financial turnover in the arts improved. But, heading into a difficult economic period from 2008 through 2011, it is clear that the arts were competing in a smaller market, with fewer inputs and resources—especially financial ones—than they had access to in the previous decade. Gaining and keeping access to customer and support dollars will always be a significant challenge to the sustainability of arts organizations and markets. It appears that in 2012 and 2013, more segments of the arts were surviving amidst that challenge.

## 1. SONGWRITER AND COMPOSER PERFORMING RIGHTS ROYALTIES

Royalties for the use of copyrighted materials are one source of revenue for artistic creators and producers. Royalties are paid to copyright owners for live performance or public replay of music, in return for licenses issued to live performance venues and broadcasters. Composers in the U.S. have the choice of affiliating with one of three designated performing rights licensing organizations: American Society of Composers, Authors, and Publishers (ASCAP); Broadcast Music, Inc. (BMI); and SESAC (formerly Society of European Stage Authors & Composers). Of these three, the first two are nonprofits open to all artists, and annually report total receipts and disbursements to copyright owners (original composers or publishers). SESAC, by far smallest of the three, selects its members and does not make this information available.

This indicator measures total songwriter/composer royalties paid by ASCAP and BMI in constant 2013 dollars. This royalty stream grew steadily between 2003 and 2009 to \$1.65 billion. It then declined for three straight years down to \$1.48 billion in 2012. 2013 was a rebound year as income rose to \$1.67 billion. Year-to-year changes have become more complicated to track as royalties from internet streaming, other emerging media, and other applications have changed as listeners shift from broadcasting and mechanical reproduction to streaming and downloads.

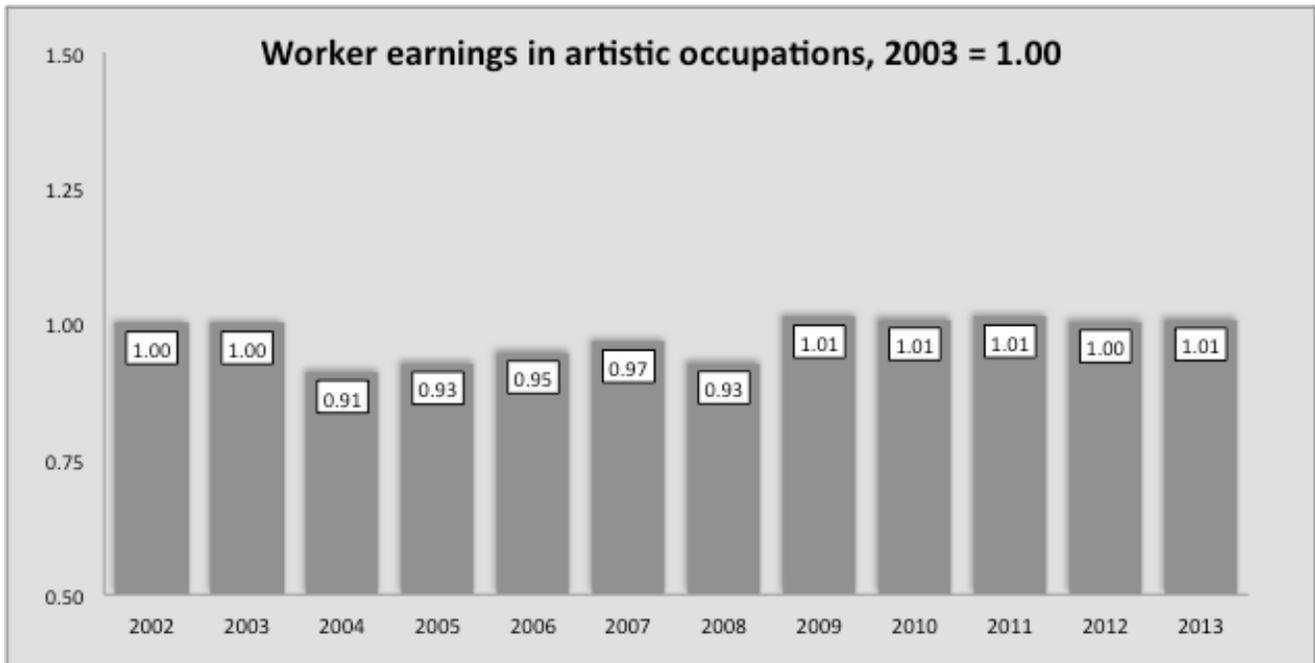


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
ASCAP performing rights royalties (\$M)		531	610	645	680.3	741.6	817	860	846	822	827	851.2
BMI performing rights royalties (\$M)		556	573	623	676	732	786	788	796	796	750	814
Total ASCAP and BMI royalties paid (\$M)		1,087	1,183	1,268	1,356	1,474	1,603	1,648	1,642	1,618	1,577.0	1,665.2
CPI at 2013 = 100.0		79.0	81.1	83.8	86.5	89.0	92.4	92.1	93.6	96.6	98.6	100.0
Constant dollar performing rights royalties (\$M)		1,272	1,348	1,398	1,448	1,530	1,603	1,654	1,621	1,549	1,479	1,665
Indexed to 2003 = 1.00	N/D	1.00	1.06	1.10	1.14	1.20	1.26	1.30	1.27	1.22	1.16	1.21

## 2. WAGES IN ARTISTIC OCCUPATIONS

Artistic-related employment can be classified in multiple ways. For example, some indicators in this report are based on the North American Industrial Classification System industry classification (NAICS), which groups employees by the type of company for which they work. Defining work by occupation gives a more complete picture of how people work in the arts. The Bureau of Labor Statistics (BLS) groups workers using the Standard Occupational Code system (SOC). The SOC system has approximately 450 separate occupational types, of which 46 are substantially related to arts and culture (see Appendix B). In this system, not all artistic workers are in arts industries. For example, floral designers in flower shops are artistic workers, but would not be counted as such in a measure of how many workers there are in the flower business, because we don't consider florists as essentially arts businesses.

This indicator measures the average annual salary of workers in all 46 occupations, adjusted to constant 2013 dollars. These are weighted by each occupation's share of workers in all artistic occupations. This reduces the effect of outliers, so that neither comparatively high-income jobs with few employees (such as architects), or low-income positions with many workers (like cinema ushers) distort the average. Work in some occupations is only part-time, and adjustments were made for those occupations where estimates of the percentage of full-time workers was available. Consumer prices and artistic workers' wages grew at the same rate of about 30 percent from 2002 to 2013, meaning that wages adjusted for inflation have been static. In recent years, the median wage has moved toward \$54,000.

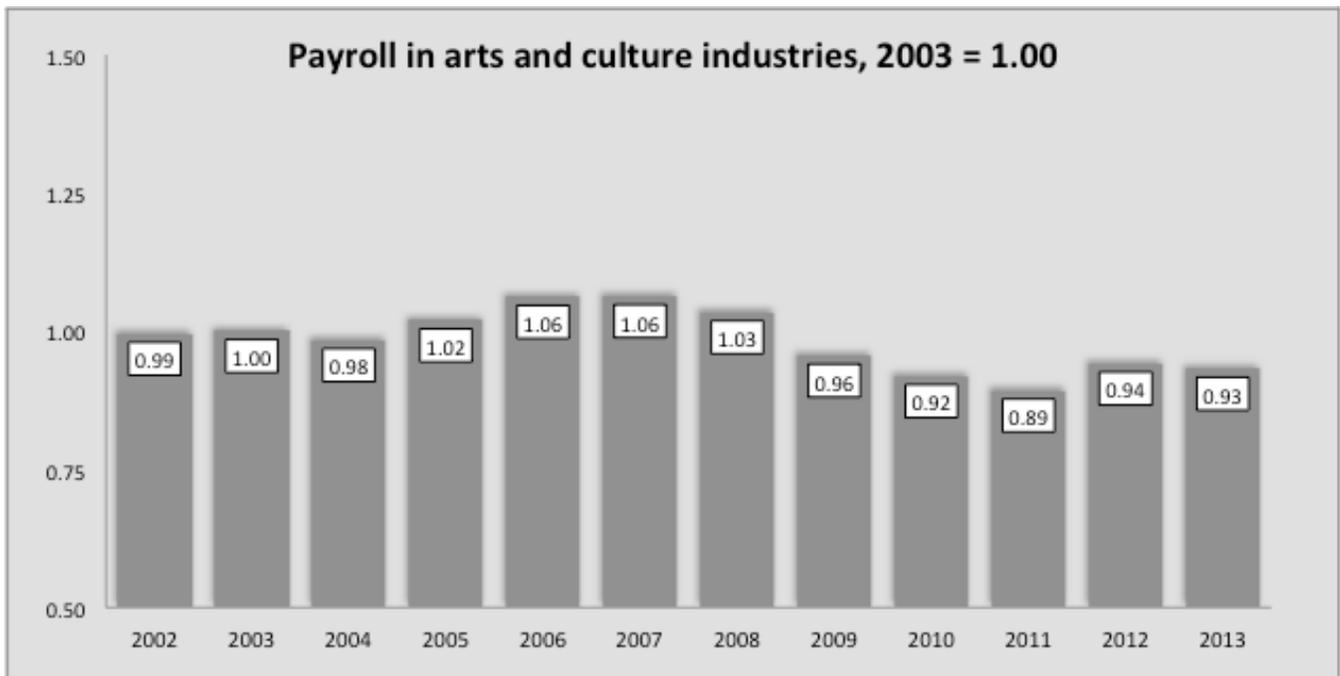


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Average earnings in 46 artistic occupations (\$)	41,320	42,261	39,479	41,525	43,801	46,006	45,825	49,843	50,438	52,288	52,883	53,859
CPI at 2013 = 100.0	77.2	79.0	81.1	83.8	86.5	89.0	92.4	92.1	93.6	96.6	98.6	100.0
Constant dollar average annual earnings in 45 artistic occupations (\$)	41,320	49,450	44,997	45,777	46,778	47,772	45,825	50,021	49,800	50,047	49,591	53,859
Indexed to 2003 = 1.00	0.84	1	0.91	0.93	0.95	0.97	0.93	1.01	1.01	1.01	1.00	1.01

### 3. PAYROLL IN ARTS AND CULTURE INDUSTRIES

Payroll expenditures by business and nonprofit employers, like the number of establishments and employees, are a basic measure of the economic scale of arts and culture, because the dollars show the investment of arts and culture industry firms in people. Other than visual arts and crafts organizations and activities, arts and culture organizations are more likely to provide services than to create arts objects in quantity. Payroll typically makes up a greater share of total expenditures in service businesses and nonprofits than it does for manufacturers.

This indicator measures constant dollar total payroll in firms in the arts and culture industries as defined by the 43 NAICS codes listed in Appendix A. NAICS has about 1,800 six-digit codes, of which 43 describe firms in the arts and culture industries. Data on numbers of employers, employees, and total payroll are available by NAICS from the Census Bureau in *County Business Patterns*. Total payroll grew from about \$77 billion in 2002 to \$95 billion in 2007 in current dollars. When inflation is factored in, the rise was more moderate, and the following recession years plainly affected arts payroll, which shrank to \$86 billion by 2011. 2012 saw a small increase in arts industry payroll in five years, in both current and constant dollar measures, but that growth did not extend into 2013.

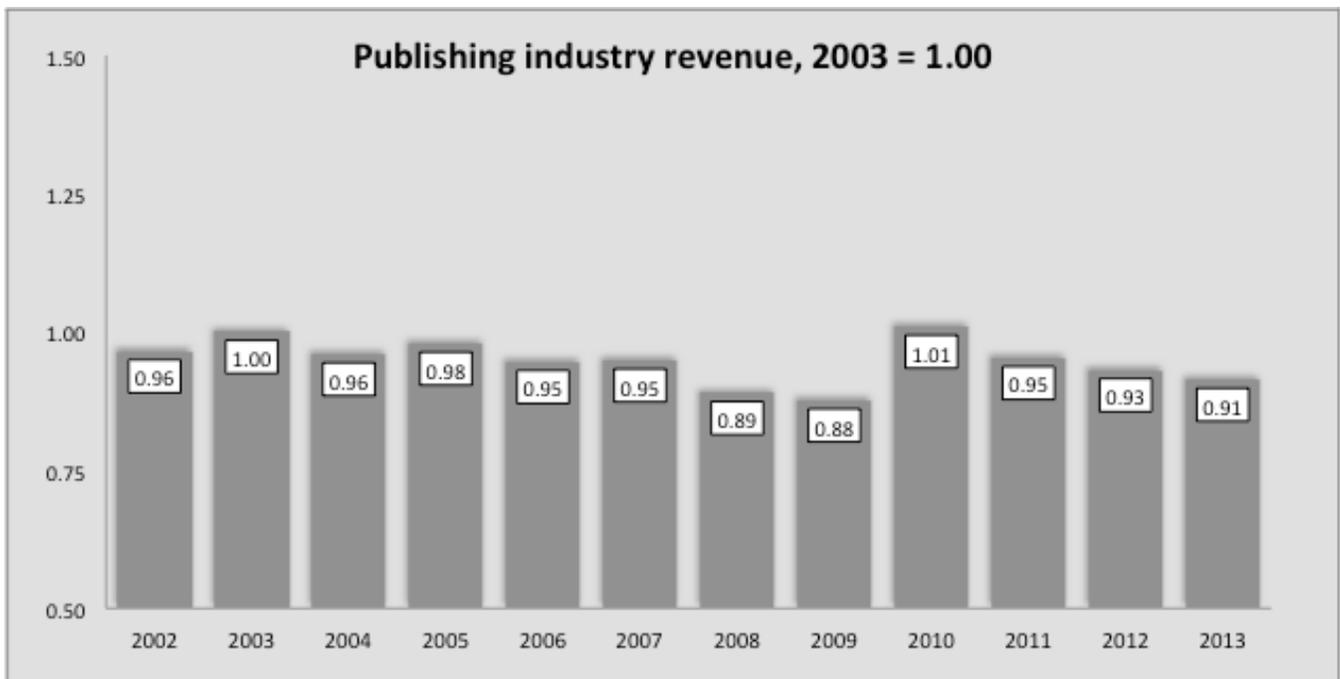


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Payroll in selected arts and culture NAICS codes (\$M)	76,583	78,722	79,481	85,167	91,573	94,302	95,239	87,706	85,683	85,887	92,448	92,872
CPI at 2013 = 100.0	77.2	79.0	81.1	83.8	86.5	89.0	92.4	92.1	93.6	96.6	98.6	100.0
Constant dollar payroll in selected arts and culture NAICS codes	91,652	92,113	90,589	93,889	97,797	97,921	95,239	88,018	84,600	82,207	86,694	92,872
Indexed to 2003 = 1.00	0.99	1	0.98	1.02	1.06	1.06	1.03	0.96	0.92	0.89	0.94	0.93

#### 4. PUBLISHING INDUSTRY REVENUE

The publishing industry plays a vital role in the dissemination of the written word. Companies in the industry serve as intermediaries, financiers, and gatekeepers between authors, poets, playwrights, essayists, and their various distributors and readers. Figures from American Association of Publishers (AAP) estimate total publishers revenue, collected from its members (about 450 publishing firms), which produce trade, text, mass market paperback, and other forms of books. Like so many other forms of media and intellectual property, published materials continue to find their way to readers in new ways and over new media and devices. For example, AAP cites 2014 research estimating that 32 percent of Americans own an e-reader, with a 45 percent rise in e-reading since 2011. In 2009, e-book sales grew by 176 percent from the prior year. Because of these rapid format changes, revenues are a better way to measure industry fortunes over time than are counts of volume, as publishers and other media industries find new ways to derive revenues from published work.

This indicator tracks “Estimated Book Publishing Industry Net Sales,” adjusted to constant 2013 dollars. Current dollar net sales since 2008 have stayed between \$27 billion and \$28 billion, but have trended down during that period. The effects of inflation over this time span accentuate the trend. When converted to constant dollars, there was a slight decline in industry revenue from 2005 through 2009. Following a spike in 2010, revenues dropped through 2013, approaching recession levels.

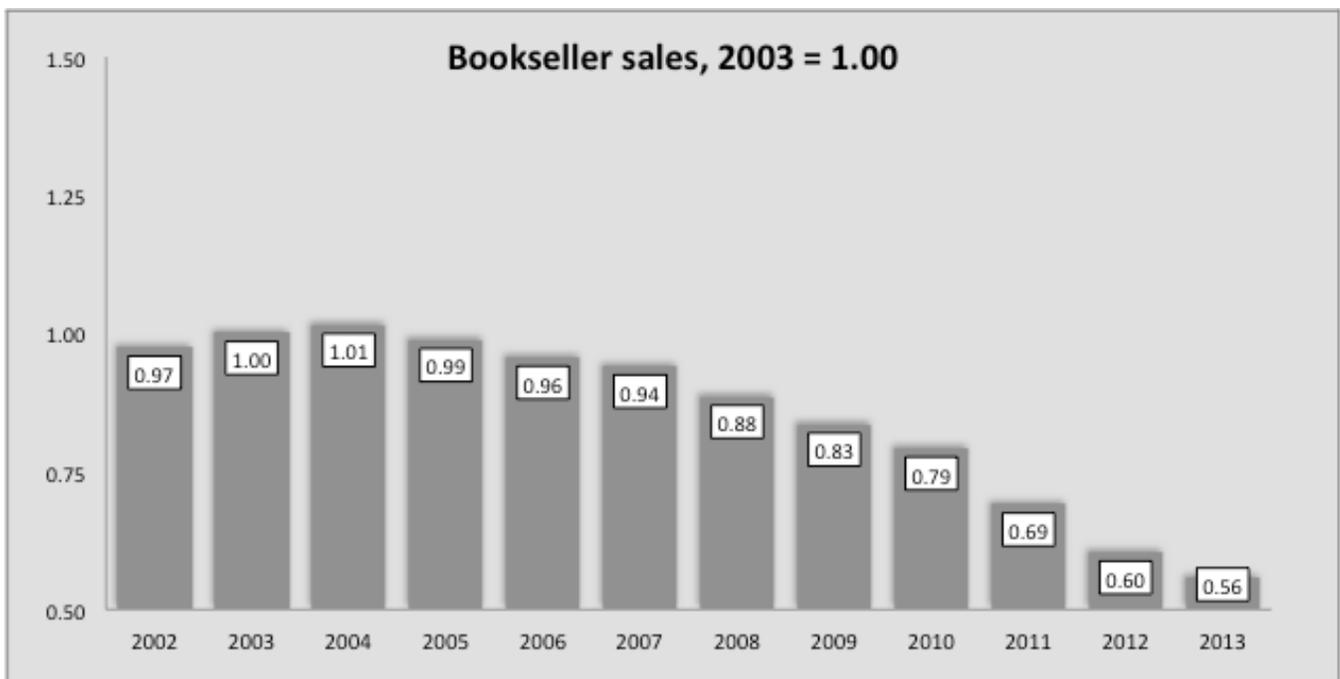


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Publishers' revenues (\$M)	22,033	23,358	23,006	24,263	24,197	24,960	24,303	23,856	27,940	27,200	27,124	27,010
CPI at 2013 = 100.0	77.2	79.0	81.1	83.8	86.5	89.0	92.4	92.1	93.6	96.6	98.6	100.0
Constant dollar publishers' revenues (\$M)	26,368	27,331	26,221	26,748	25,841	25,918	24,303	23,941	27,587	26,034	25,436	27,010
Indexed to 2003 = 1.00	0.96	1	0.96	0.98	0.95	0.95	0.89	0.88	1.01	0.95	0.93	0.91

## 5. BOOKSELLER SALES

Book sales are a primary means of transmission for the written word in general, and for fiction and literature in particular. This measure is based on data collected by the Census Bureau on monthly sales data for some 70 different types of retailers. Of the retailers listed, only booksellers with NAICS 451211 fall into the arts and culture area. This measure does not distinguish between independent and chain booksellers, making it impossible to judge the health of the prototypical small, independent book store in American commerce.

This indicator shows a retail sector that maintained a steady level of increase through 2005 in overall sales, but since then there have been multi-year declines in both current and constant dollars. When inflation is factored in, the picture is even less reassuring for years 2005 through 2013; the sales level in 2013 has declined to where it is just over half since the Index base year of 2003. Note: historic data for this indicator has been revised by the Census Bureau.

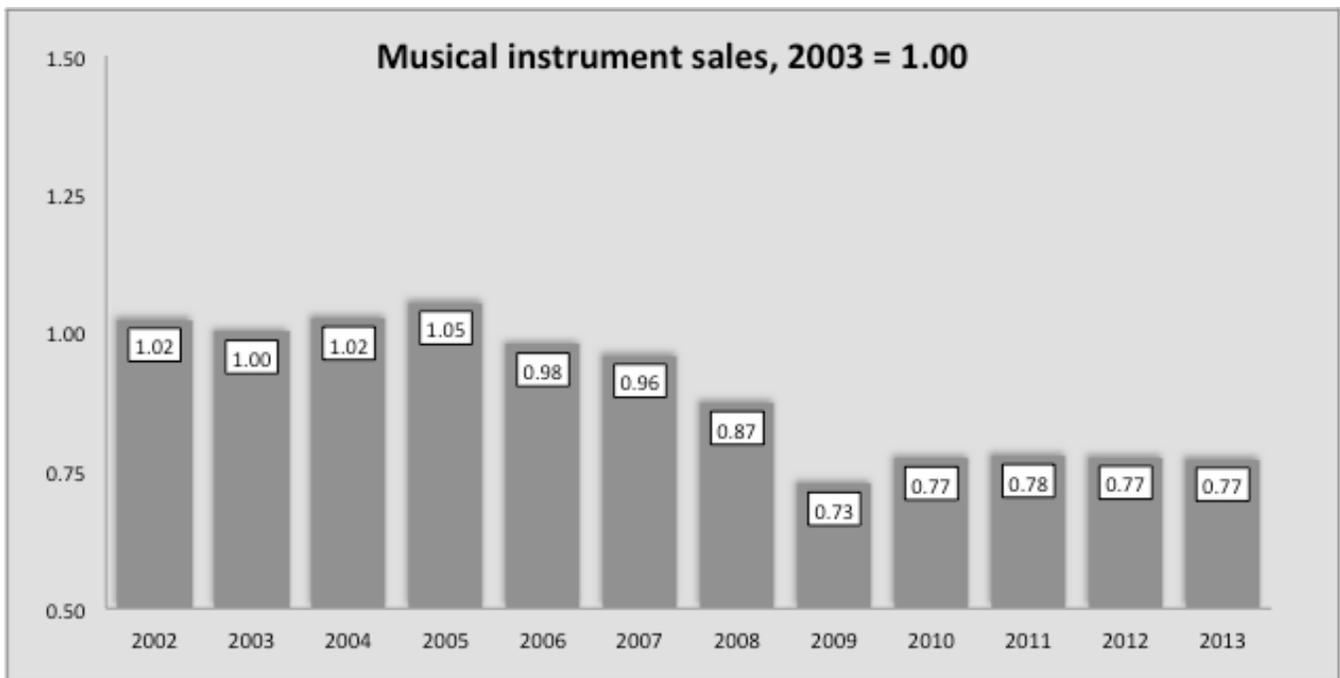


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Bookstore (NAICS 451211) sales (\$M)	15,437	16,219	16,887	16,992	16,978	17,171	16,789	15,780	15,206	13,676	12,201	11,431
CPI at 2013 = 100.0	77.2	79.0	81.1	83.8	86.5	89.0	92.4	92.1	93.6	96.6	98.6	100.0
Constant dollar bookstore sales (\$M)	19,990	20,535	20,826	20,269	19,619	19,293	18,166	17,135	16,245	14,164	12,380	11,431
Indexed to 2003 = 1.00	0.97	1.00	1.01	0.99	0.96	0.94	0.88	0.83	0.79	0.69	0.60	0.56

## 6. MUSICAL INSTRUMENT SALES

Along with drawing, painting, and photography, playing a musical instrument is one of the most common ways for individuals to first become involved in the arts. The nation’s cultural traditions, its love for instrumental music, and the role of instruments in supporting live performance by vocalists in pop music are all sources of demand for musical instruments. NAMM, the National Association of Music Merchants, reports estimated annual U.S. retail sales of fretted, keyboard, wind, and percussion instruments, as well as printed music, electronics for music making, and sound reinforcement.

This indicator measures total U.S. sales in these musical instrument and related categories, adjusted to 2013 constant dollars. While instrument sales in current dollars were consistently over \$7 billion in most of the 2000s, they did not keep pace with inflation, so constant dollar sales trended generally downward. 2009 continued a difficult downward period for instrument sales, with a decline of 17 percent following a drop of 10 percent in 2008. 2013 saw a small increase, to sales of \$6.8 billion.

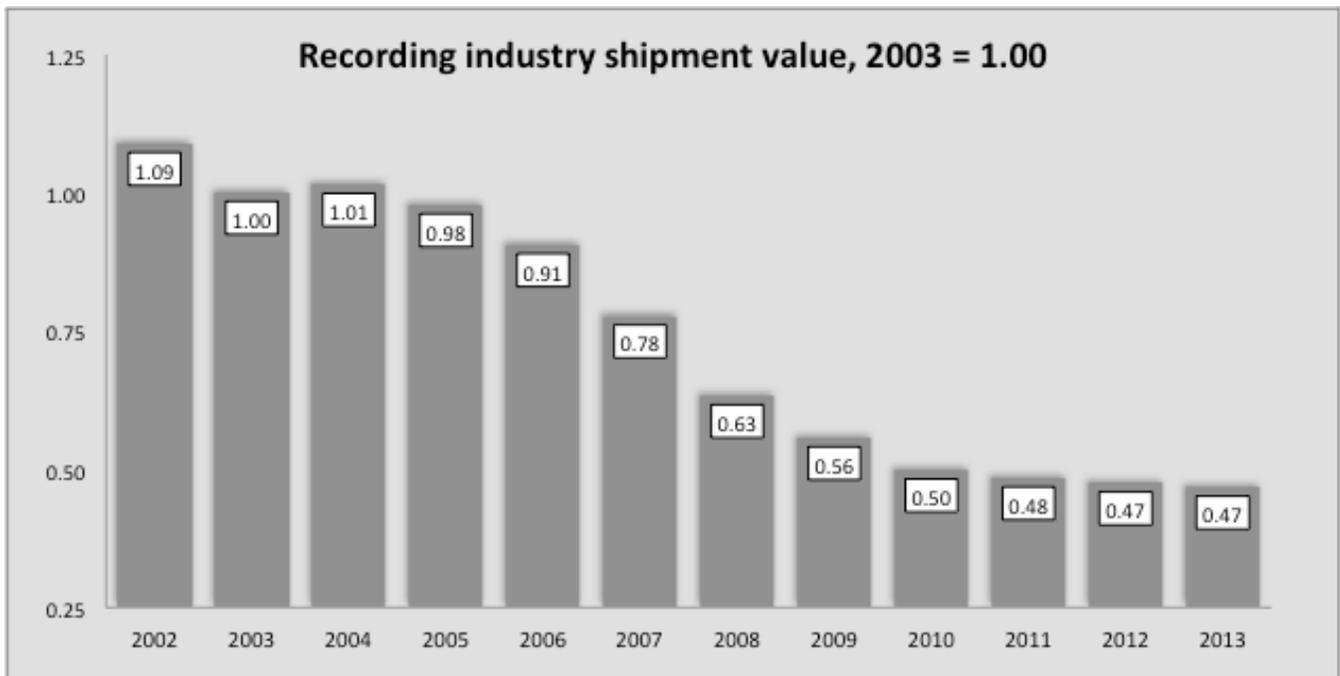


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Musical instrument and accessory sales (\$M)	6,984	6,990	7,354	7,810	7,483	7,538	7,128	5,911	6,390	6,630	6,740	6,810
CPI at 2013 = 100.0	77.2	79.0	81.1	83.8	86.5	89.0	92.4	92.1	93.6	96.6	98.6	100.0
Constant dollar musical instrument and accessory sales (\$M)	8,358	8,179	8,382	8,610	7,992	7,827	7,128	5,932	6,309	6,346	6,320	6,810
Indexed to 2003 = 1.00	1.02	1	1.02	1.05	0.98	0.96	0.87	0.73	0.77	0.78	0.77	0.77

## 7. RECORDING INDUSTRY SHIPMENT VALUE

Recorded sound is the principal channel for music reaching listeners, through physical or digital media. Changes in the recording industry provided some of the most visible examples of how digitization of content and internet file transfers are reshaping the arts industries. The Recording Industry Association of America (RIAA) tallies units sold and value of units shipped in various forms: CD, Cassette, LP, DVD, music video, and download. RIAA statistics cite volume and shipment counts for uses of recorded music ranging from recorded CDs to cell phone ringtones and other applications. Because these different units are counted in many ways, and how digital uses of music continually evolve, there are very wide swings in product counts. Other RIAA data show that albums downloaded digitally increased from 4.6 million to 118 million between 2004 (the earliest year for which data are available) and 2013. Single downloads grew from 139 million units to 1.33 billion. On-line streaming and downloads made up 64 percent of record companies' revenue in 2013.

This indicator measures the dollar value of recording industry shipments, which incorporate all of those unit volumes at the various prices that recording companies and their distributors charge. Despite the trend of increasing numbers of digital music sales, total industry revenues declined through 2010 in current dollars, and sharply in inflation-adjusted dollars. That decrease has slowed, and 2013 shipment value was \$7.0 billion, only slightly less compared to recent years.

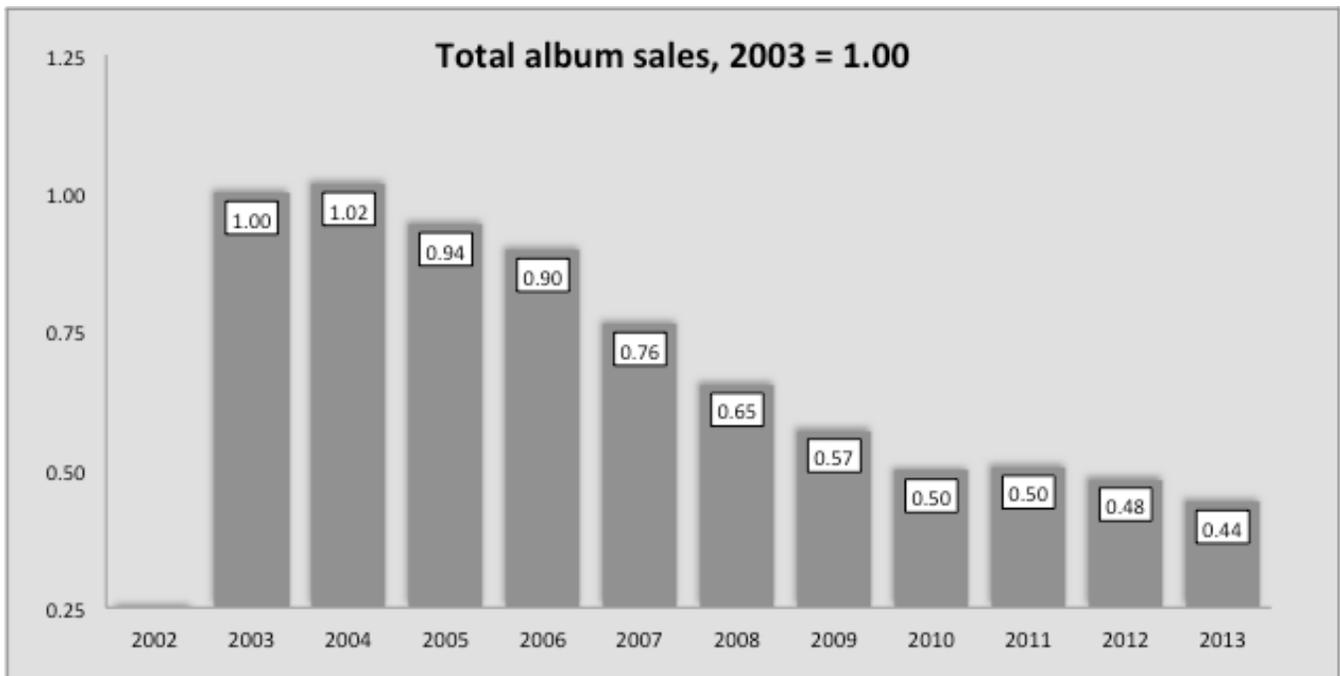


(\$ in millions)	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Recording industry digital and physical shipments (\$M)	12,614.2	11,854.4	12,345.0	12,296.9	11,758.2	10,372.0	8,768.4	7,683.9	6,995.0	7,007.7	7,015.7	7,004.8
CPI at 2013 = 100.0	77.2	79.0	81.1	83.8	86.5	89.0	92.4	92.1	93.6	96.6	98.6	100.0
Constant dollar recording industry shipments	16,334.7	15,008.7	15,224.4	14,668.1	13,587.3	11,653.5	9,487.6	8,343.7	7,473.1	7,257.6	7,118.7	7,004.8
Indexed to 2003 = 1.00	1.09	1.00	1.01	0.98	0.91	0.78	0.63	0.56	0.50	0.48	0.47	0.47

## 8. TOTAL ALBUM SALES

The recorded music industry has been one of the most turbulent artistic environments. The simultaneous development of digitization, combined with the use of rapid file transfers over both legal and illegal networks, disrupted the “value chain” in the record business and forced many adjustments. Despite the flow of pirated music recordings, there is still vigorous competition for legitimate music sales. Distribution channels have changed in other ways, too; iTunes is the largest music retailer by sales, and physical unit counts have declined, though vinyl is returning to the market. In addition, many more tracks are being purchased individually, downloaded to mobile devices, and used as ringtones. The combined effect is to separate the number of units from the number of albums, which had been the metric for recorded music sales for many decades. Nonetheless, hundreds of millions of albums are still sold.

This indicator tracks constant album sales at the retail level as measured by Nielsen SoundScan. Specifically, this is “Total Album Sales” figure from SoundScan’s Year-End Music Industry reports. Paradoxically, a decline in album sales has been accompanied by sharp increases in sales of individual tracks in single, music video, and digital modes. SoundScan data do not measure the dollar volume of sales, only the unit volume. The album form shows a long-term decline, with volumes in 2013 less than half of the level seen in 2004, and notably down from 2012.

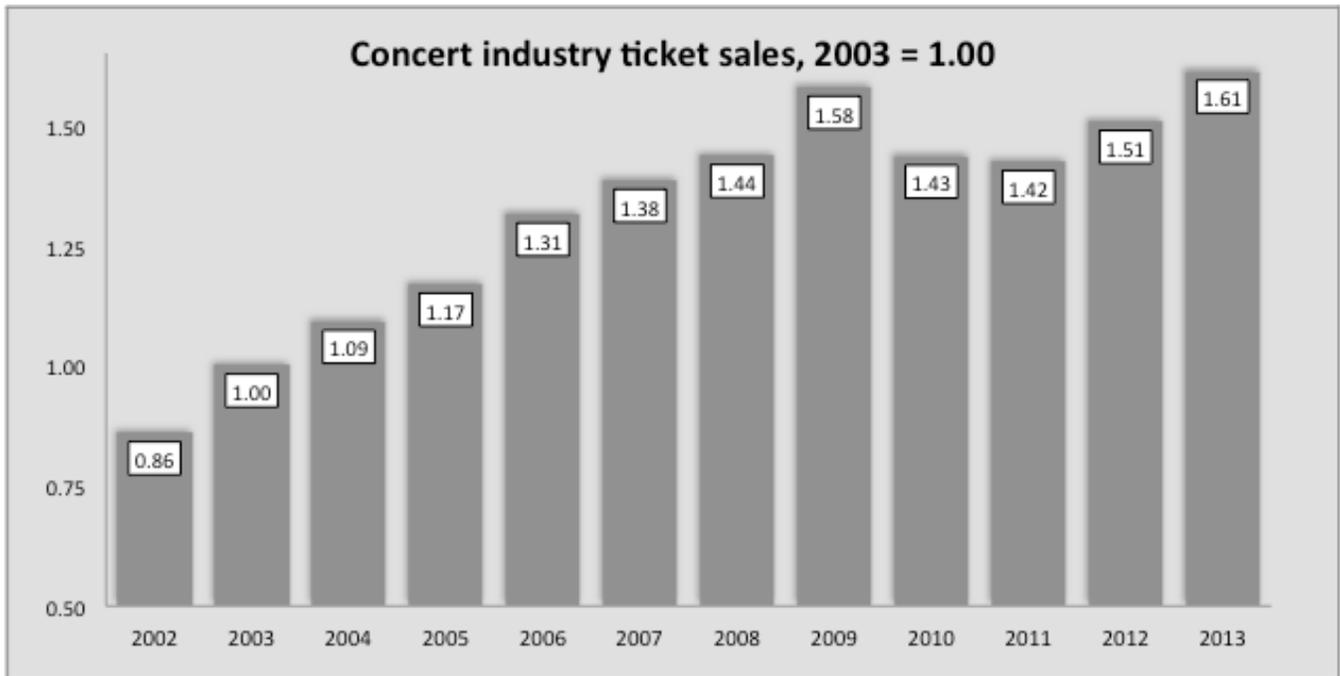


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Album sales (millions)		656.2	666.7	618.9	588.2	500.5	428.4	373.9	326.2	330.6	316.0	289.4
Indexed to 2003 = 1.00	N/D	1.00	1.02	0.94	0.90	0.76	0.65	0.57	0.50	0.50	0.48	0.44

## 9. CONCERT INDUSTRY TICKET SALES

The popular music concert industry saw significant growth during and since the 2000s. Pollstar Magazine, the most reliable source of concert industry data, gathers raw data on almost 35,000 concert events each year, and extrapolates them to total industry estimates for the U.S. and Canada. According to Pollstar’s 2013 Year End Business Analysis, the top tours in the U.S. grossed \$2.79 billion. Industry average ticket prices were \$70.

This indicator measures constant dollar gross concert industry ticket sales, including not only the top 100 tours, but all of the other tens of thousands of performances monitored by Pollstar. Reported revenues increased every year for many years, driven by superstar events and by ticket price increases that are far ahead of inflation. All things considered, the 2000s have been a healthy decade for the industry. Increased grosses through 2009 distinguished this industry from some other arts industries that suffered more in the economic downturn. While 2010 and 2011 showed concert industry revenues declining with other arts sectors, audiences lifted 2012 and 2013 ticket revenues to new highs. The Top 100 generated 55 percent of industry revenue, illustrating a “Long Tail” industry, where a few top sellers capture much of the market share even though there are many smaller offerings.

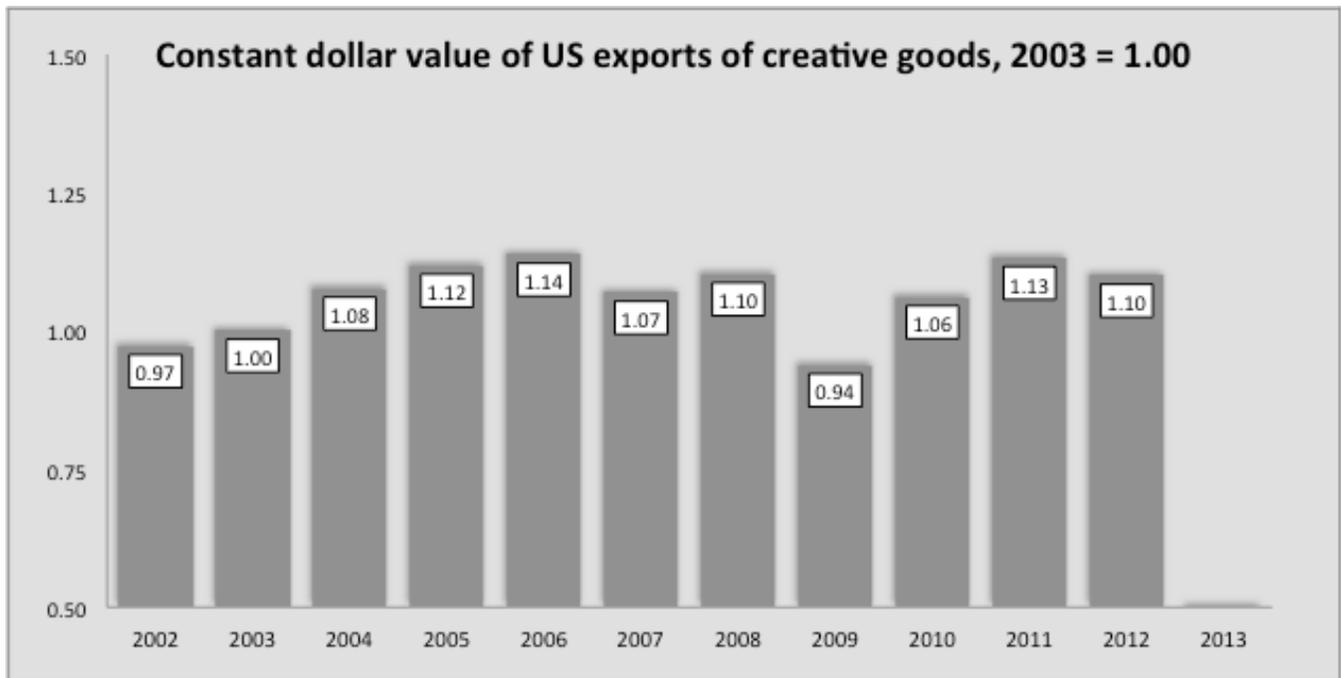


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Popular music concert ticket sales (\$M)	2,100	2,500	2,800	3,100	3,600	3,900	4,200	4,600	4,250	4,350	4,700	5,100
CPI at 2013 = 100.0	77.2	79.0	81.1	83.8	86.5	89.0	92.4	92.1	93.6	96.6	98.6	100.0
Constant dollar popular music concert ticket sales (\$M)	2,513	2,925	3,191	3,417	3,845	4,050	4,200	4,616	4,196	4,164	4,407	5,100
Indexed to 2003 = 1.00	0.86	1.00	1.09	1.17	1.31	1.38	1.44	1.58	1.43	1.42	1.51	1.61

## 10. EXPORTS OF CREATIVE GOODS

The American economy is a key part of a global market for goods and services related to arts and culture. As is the case for many American products and services, foreign markets are opportunities for American arts in a global environment. Trade in creative products is tracked by the United Nations Conference on Trade and Development using the Standard International Trade Classification system (SITC).

This indicator measures the values of U.S. creative goods exports as defined in the SITC. These include arts and crafts, film and visual media, as well as visual and performing arts, publishing, and design. Its measurements include design-influenced products like carpets, glassware, and books as well as more prominently identified goods such as paintings, sculptures, and architecture. Exports climbed to \$73 billion in 2006, dropped below early-decade levels in 2009, and then largely resumed pre-recession levels. In current dollars, 2012 exports of American creative goods amounted \$75 billion. With U.S. imports at just \$27 billion, the arts achieved a \$48 billion trade surplus in 2012. This indicator could not be updated with 2013 data.

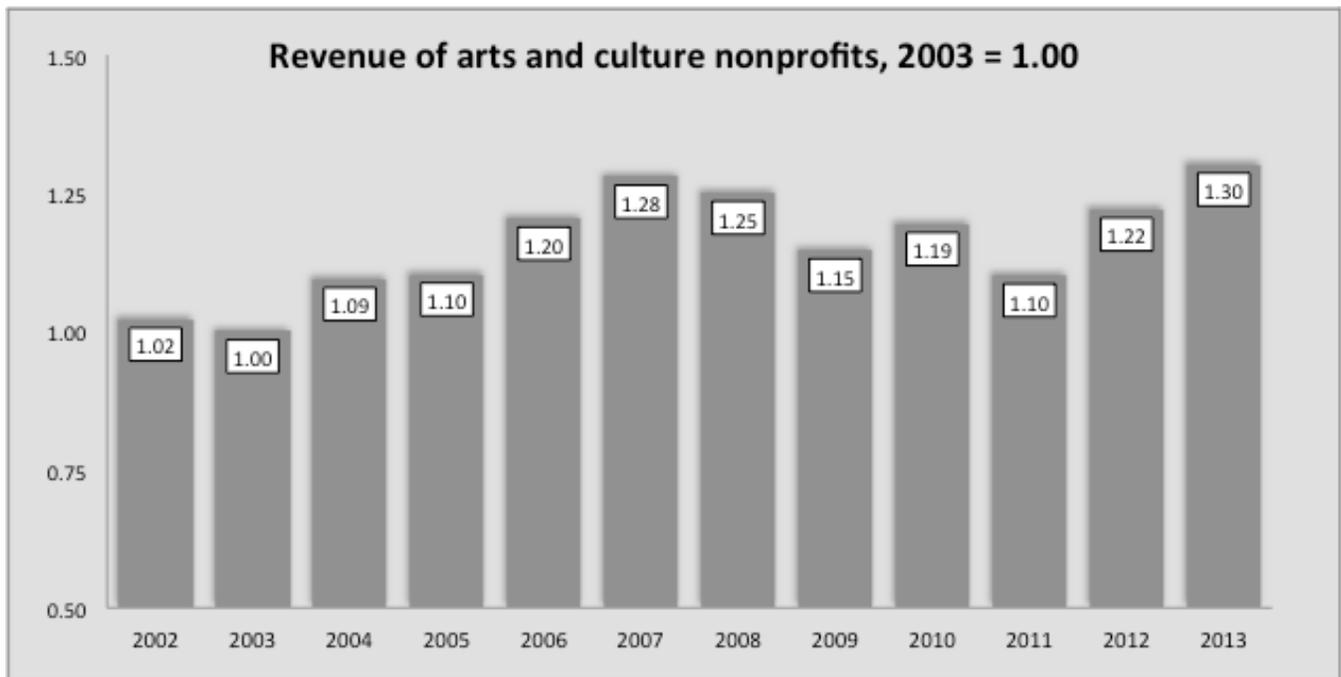


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Art crafts (\$M)	4,072	4,614	4,756	4,971	4,944	3,992	4,245	3,712	4,387	5,271	5,758	
Audio visuals (\$M)	201	1,253	1,463	1,543	1,399	2,546	2,770	2,881	2,691	2,681	2,325	
Design (\$M)	32,183	34,026	37,829	41,086	43,369	37,857	40,703	36,645	43,478	48,424	45,418	
New media (\$M)	2,974	1,547	1,949	2,248	2,799	6,454	8,729	6,516	6,366	5,984	6,405	
Performing arts (\$M)	369	823	976	956	890	835	989	718	922	980	975	
Publishing (\$M)	6,201	6,389	6,744	6,917	7,094	6,646	6,411	4,627	4,741	4,824	4,572	
Visual arts (\$M)	6,188	6,264	6,957	7,425	7,948	8,257	7,061	4,927	6,442	7,796	9,885	
Total U.S. creative goods exports (\$M)	52,188	54,916	60,675	65,145	68,443	66,135	70,821	60,021	69,024	75,960	75,338	
CPI at 2013 = 100.0												
Constant dollar U.S. creative goods exports (\$M)	62,457	64,258	69,154	71,817	73,094	68,673	70,821	60,235	68,151	72,705	70,649	
Indexed to 2003 = 1.0	0.97	1.00	1.08	1.12	1.14	1.07	1.10	0.94	1.06	1.13	1.10	N/D

## 11. REVENUE OF ARTS AND CULTURE NONPROFITS

Nonprofit arts organizations in this report are identified using the National Taxonomy of Exempt Entities (NTEE). Organizations in major Group A, plus group N52 (fairs and festivals) are prototypical arts producers in the U.S. They are the theatres, orchestras, museums, choruses, community arts schools, dance groups, and more that collectively form the backbone of the U.S. arts and culture systems. Their revenues come from fees paid by arts consumers and audiences, from grants, contributions, other subsidies, and as income from reserves and endowments. Together, these income streams are resources that arts nonprofits use to produce services and programs that accomplish their missions and meet the artistic needs of their communities. The number of organizations in these groups filing information returns fell from almost 41,000 in 2010 to about 37,000 in 2011, then rebounded through 2013 to 42,200. A related issue is that thousands of arts organizations that had ceased filing information returns were removed from IRS rolls. In 2013, 45 percent of this reduced set of nonprofits provided information, more than the 35 percent of many earlier years.

This indicator measures the total revenues of these nonprofits that file Form 990, converted to constant 2013 dollars. The departure of some thousands of arts organizations from the rolls after years of entry naturally leads to declining revenue in the field. Both current dollar and constant dollar revenues grew steadily through 2007, followed by steep (though not steady) declines through 2011, followed by an increase in 2012 and another in 2013; while results vary for individual organizations, total nonprofit sector arts revenue had fully recovered from the recession by 2012.

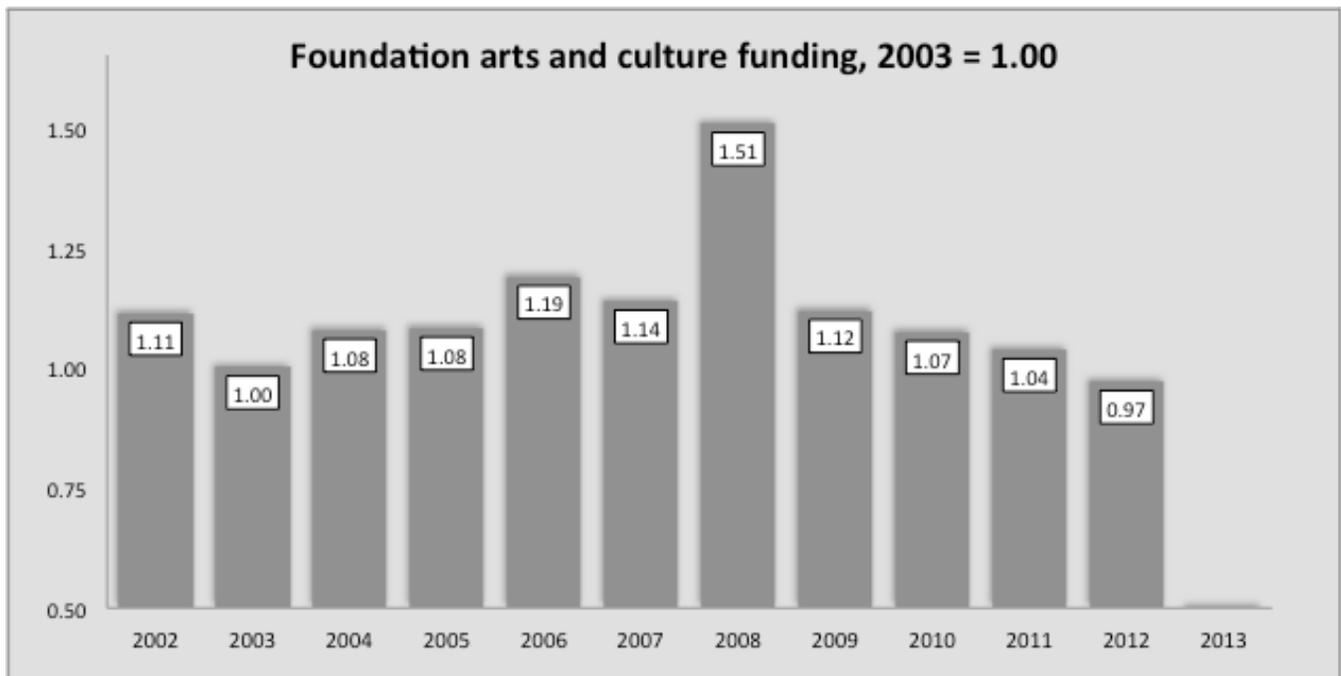


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total revenues of arts nonprofits (\$M)	23,868	23,897	26,848	27,977	31,519	34,461	34,967	31,947	33,815	32,171	36,395	39,384
CPI at 2013 = 100.0	77.2	79.0	81.1	83.8	86.5	89.0	92.4	92.1	93.6	96.6	98.6	100.0
Constant dollar arts nonprofit revenue (\$M)	30,907	30,256	33,110	33,372	36,422	38,718	37,835	34,690	36,126	33,319	36,929	39,384
Indexed to 2003 = 1.00	1.02	1.00	1.09	1.10	1.20	1.28	1.25	1.15	1.19	1.10	1.22	1.30

## 12. FOUNDATION ARTS AND CULTURE FUNDING

Arts funding by foundations is one of the three main elements of private philanthropy in support of the arts, along with individual and business funding. Across all nonprofit service areas, giving by foundations, including independent, corporate, and community foundations, is second only to individuals as a source of private support for nonprofit work.

This indicator measures total funding by foundations to arts organizations. These data originate in the Foundation Center's annual studies of foundation grants of \$10,000 or more made by approximately 1,100 of the nation's largest foundations. Foundation funding thus represents a bright spot for arts funding, especially compared to the losses in corporate support. The number of grants of this scale that are reported in the Center's FC Stats program has increased from 108,000 in 1999 to almost 154,000 in 2012. Along with the number of grants, foundation dollar amounts increased from 2001 through 2012 only modestly, by six percent to \$2.2 billion, when measured in current dollars; this leads to a decrease of about 18 percent when adjusted for inflation. This indicator could not be updated with 2013 data.

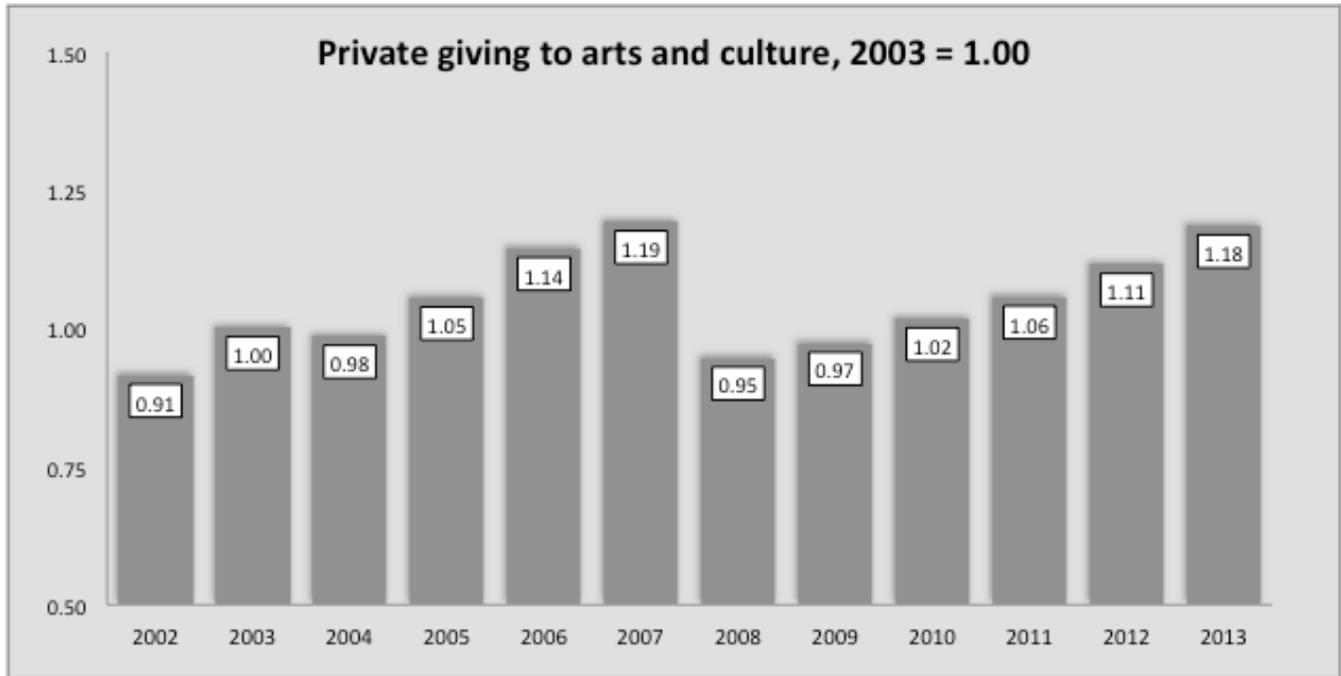


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total foundation arts grants (\$M)	1,946	1,790	1,980	2,055	2,330	2,294	3,156	2,332	2,276	2,268	2,165	
CPI at 2013 = 100.0	77.2	79.0	81.1	83.8	86.5	89.0	92.4	92.1	93.6	96.6	98.6	100.0
Constant dollar foundation arts grants (\$M)	2,329	2,095	2,256	2,265	2,488	2,382	3,156	2,340	2,248	2,170	2,031	
Indexed to 2003 = 1.00	1.11	1.00	1.08	1.08	1.19	1.14	1.51	1.12	1.07	1.04	0.97	N/D

### 13. PRIVATE GIVING TO ARTS AND CULTURE

Private giving to arts organizations comes primarily from individuals, with major components also coming from foundations, corporations, and bequests. Private funds are typically a much larger source of revenue in arts organizations than public funds, representing about a third of the total income stream of nonprofit arts groups. A reliable source of total private philanthropy to the arts is the annual *Giving USA* report, published by the Giving USA Foundation at the Indiana University Center on Philanthropy. *Giving USA* estimates total private dollars going to arts and culture, one of several other nonprofit sectors. Arts support totaled \$16.6 billion in 2013, or 7.8 percent of estimated total private philanthropy of \$335 billion. Compare this to giving of \$106 billion to religion, \$52 billion to education, \$36 billion to foundations, \$42 billion to human services, \$32 billion to health, and \$24 billion to public-society benefit.

This indicator measures total private giving to arts and culture organizations as estimated by *Giving USA* in 2013 dollars. Total private giving to the arts increased in current dollars most years from 2000 to 2007, but the effects of inflation reduced the benefits of that increase. Both current and constant dollar giving increased through 2007, then stabilized in a lower range, and increased regularly through 2013.

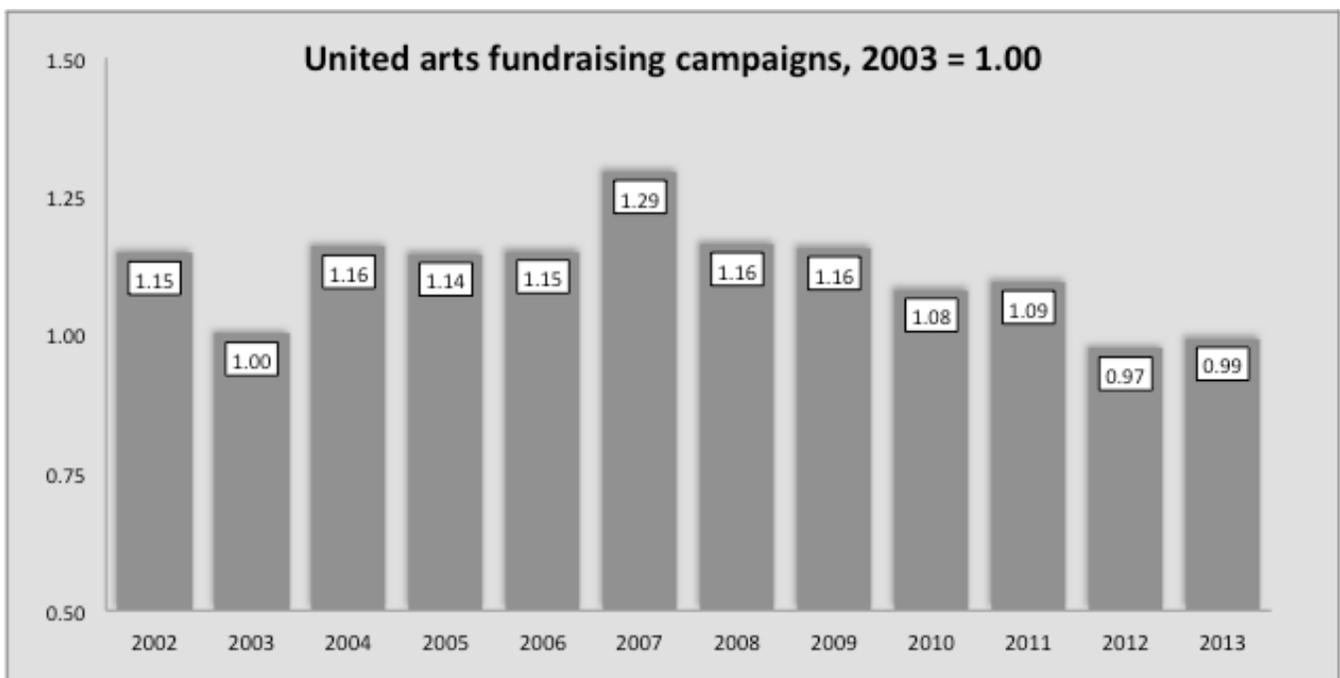


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Private arts philanthropy (\$B)	9.93	11.11	11.23	12.43	13.92	14.92	12.29	12.59	13.38	14.34	15.45	16.66
CPI at 2013 = 100.0	77.2	79.0	81.1	83.8	86.5	89.0	92.4	92.1	93.6	96.6	98.6	100.0
Constant dollar private arts philanthropy (\$B)	12.86	14.07	13.85	14.83	16.09	16.76	13.30	13.67	14.29	14.85	15.68	16.66
Indexed to 2003 = 1.00	0.91	1.00	0.98	1.05	1.14	1.19	0.95	0.97	1.02	1.06	1.11	1.18

## 14. UNITED ARTS FUNDRAISING CAMPAIGNS

United arts funds are federated campaigns, community-wide efforts to raise money to support arts and culture. These funds are analogous in some ways to the United Way, which raises community funds for various human service programs. Americans for the Arts studies and supports the nearly 60 United Arts Funds to understand their performance and help them improve their results. In current 2013 dollars, these community campaigns bring in support ranging from as little as \$32,000 to as much as \$11 million, with a median of about \$1.12 million, six-percent lower than the peak in 2008.

This indicator measures the median revenues of a panel of 37 funds that reported every year from 2002 to 2013. While other sources of support for the arts have varied widely, and mostly declined, united arts funds sustained consistent levels of support through 2008, at least keeping up with inflation and avoiding wide swings. But, like other arts sectors, they saw diminished giving since 2009, with constant dollar amounts down by 19 percent.

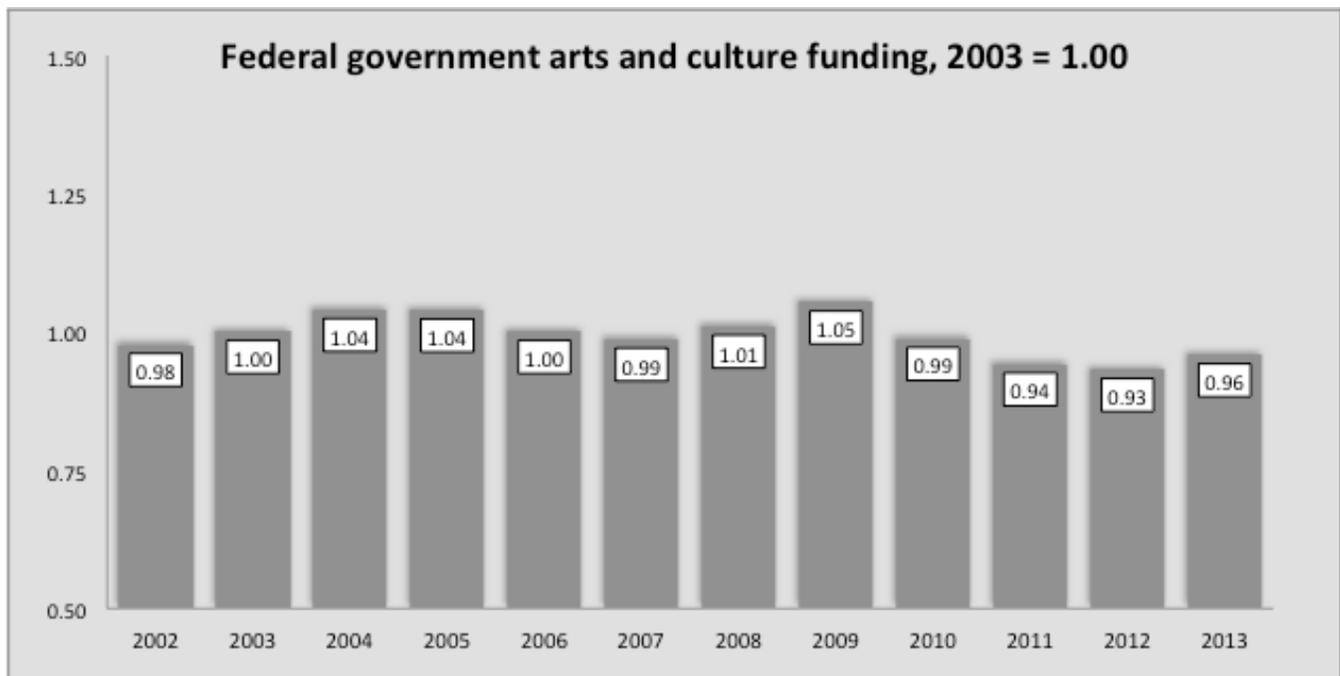


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Avg. raised by 37-UAF panel (000)	\$1,007	\$898	\$1,068	\$1,091	\$1,131	\$1,309	\$1,222	\$1,210	\$1,149	\$1,201	\$1,091	\$1,127
CPI at 2013 = 100.0	77.2	79.0	81.1	83.8	86.5	89.0	92.4	92.1	93.6	96.6	98.6	100.0
Constant dollar funds raised by 37 UAFs (000)	1,304	1,137	1,317	1,301	1,307	1,471	1,322	1,314	1,228	1,244	1,107	1,127
Indexed to 2003 = 1.00	1.15	1.00	1.16	1.14	1.15	1.29	1.16	1.16	1.08	1.09	0.97	0.99

## 15. FEDERAL GOVERNMENT ARTS AND CULTURE FUNDING

The federal government is a vitally important source of funds for arts and culture in the U.S. As the only federal agency with the word “arts” in the title, the National Endowment for the Arts gets attention, but it is just one of the arts and culture programs completely or mostly financed by federal dollars. Others include the National Endowment for the Humanities, Institute for Museum and Library Services, and Corporation for Public Broadcasting. Some Washington, D.C. programs (e.g., Smithsonian Institution, Holocaust Museum, National Gallery, and Kennedy Center) have national impact as well as visitor appeal

This indicator measures funding of the listed programs below, adjusted to 2013 dollars. Spending was at its highest level of the years measured in 2009 at \$1.96 billion in constant dollars, before dropping to \$1.74 billion in 2012. Other arts programs (not counted in this indicator) are funded by non-arts agencies such as the Department of Defense, which boasts a vigorous music program throughout the armed services. Arts facilities and amenities are often included in the design and buildings throughout the federal government.

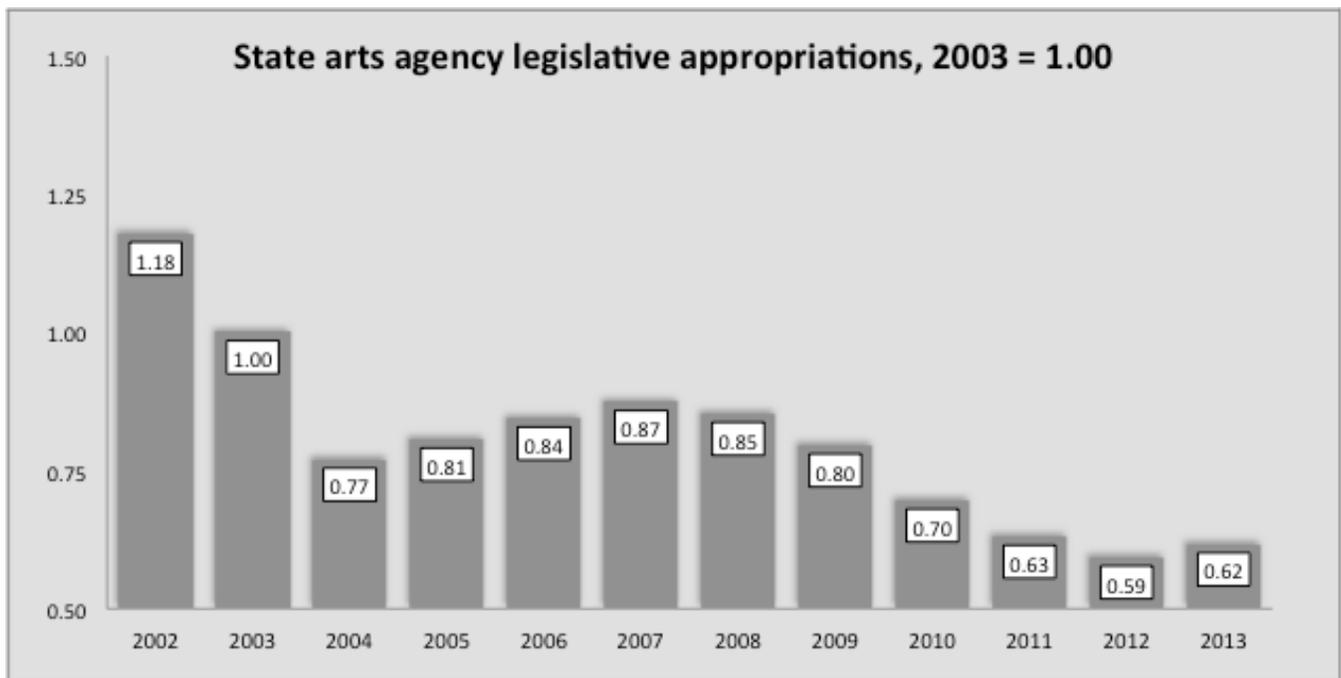


All figures \$000	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
NEA Total	115,234	115,732	120,972	121,264	124,406	124,562	144,706	155,000	167,500	154,690	146,255	138,400
NEH	124,504	124,936	135,310	138,054	140,949	141,105	144,707	144,355	155,000	154,690	146,255	138,400
IMLS	221,501	243,890	262,240	280,564	247,144	247,144	263,507	268,193	274,840	242,000	232,000	219,820
Smithsonian	518,860	544,875	596,279	615,158	615,097	634,895	682,629	716,400	593,400	634,889	635,000	775,000
Kennedy Center	38,310	33,690	32,159	33,021	30,347	30,389	42,674	33,300	40,420	22,455	36,850	35,000
National Gallery of Art	85,335	92,842	98,225	102,653	111,141	111,729	117,866	119,567	111,000	110,525	128,600	127,000
Fine Arts Commission	1,224	1,216	1,405	1,768	1,865	1,873	2,059	2,234	2,234	2,289	2,396	2,276
Institute of Amer Indian	4,490	5,454	6,173	5,916	6,207	6,207	7,183	7,900	7,900	8,283	8,519	8,074
Holocaust Memorial	36,028	38,412	39,505	40,858	42,150	42,349	44,786	48,082	49,122	49,024	50,800	48,000
Arts in Education	30,000	33,779	35,071	35,633	35,277	35,277	37,533	37,000	38,120	24,596	24,596	23,648
Corp. for Public Broadcasting	350,000	362,800	377,800	386,800	396,000	400,000	400,000	430,000	430,000	435,138	445,000	422,000
Total federal arts spend	1,525,486	1,597,626	1,705,139	1,761,689	1,750,583	1,775,530	1,887,650	1,962,031	1,857,036	1,838,579	1,856,271	1,937,618
CPI, 2013 = 100.0	77.2	79.0	81.1	83.8	86.5	89.0	92.4	92.1	93.6	96.6	98.6	100.0
Constant dollar federal arts spending	1,975,415	2,022,733	2,102,854	2,101,398	2,022,896	1,994,904	2,042,485	2,130,517	1,997,318	1,904,140	1,883,518	1,937,618
Indexed to 2003 = 1.00	0.98	1.00	1.04	1.04	1.00	0.99	1.01	1.05	0.99	0.94	0.93	0.96

## 16. STATE ARTS AGENCY LEGISLATIVE APPROPRIATIONS

State governments are important supporters of arts and culture, reaching many communities, organizations, and artists. Every state has a state arts agency, funded by allocations from state legislators as well as by Congressionally-mandated funds from the National Endowment for the Arts.

This indicator measures funding in constant dollars provided to state arts agencies from their legislatures, using data from the National Assembly of State Arts Agencies. State arts funding, which tracks closely with the economy, had record growth in the late 1990s—reaching a high of \$451 million in 2001—that was followed by a precipitous drop to \$281 million by 2004 (-38 percent). After a mid-decade recovery, current dollar support dropped steadily since 2007, with a 10 percent decline in 2011. However, 2012 and also 2013 saw increases after years of decline. Still, when converted to constant 2013 dollars, state funding declined 47 percent from its peak in 2001 (38 percent in current dollars, not adjusted for inflation).

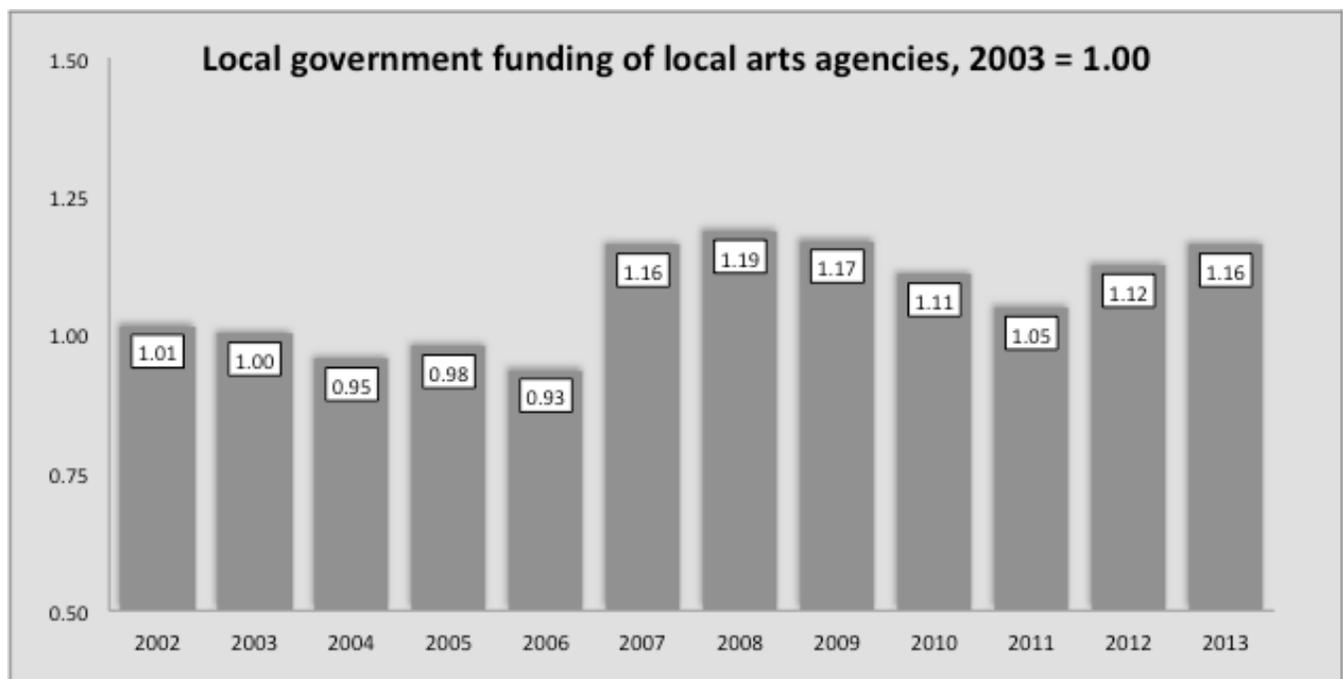


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
State arts agency legislative appropriations (\$M)	409.7	355.7	281	304.2	328.9	350.1	354.7	329.8	293.2	274	263	277.5
CPI at 2013 = 100.0	77.2	79.0	81.1	83.8	86.5	89.0	92.4	92.1	93.6	96.6	98.6	100.0
Constant dollar state arts agency legislative appropriations (\$M)	490.3	416.2	320.3	335.4	351.2	363.6	354.7	331	289.5	262.2	246.7	277.5
Indexed to 2003 = 1.00	1.18	1	0.77	0.81	0.84	0.87	0.85	0.8	0.7	0.63	0.59	0.62

## 17. LOCAL GOVERNMENT ARTS FUNDING OF LOCAL ARTS AGENCIES

Local governments play a major role in public sector funding of the arts. With thousands of counties, cities, townships, and other local entities each providing its own form of arts funding, no single measure of local support covers the entire country. One widely used funding approach is to channel local government funding through local arts agencies and councils. Local arts agencies vary widely in their structures and roles. Some are nonprofits that seek funds from private and public sources; others are offices of local government. Some give grants to artists and arts organizations, while others produce programs directly—and some do both, and more. Through its United States Urban Arts Federation members program, Americans for the Arts gathers annual data from the 60 most populous U.S. cities on local government support of local arts agencies.

This indicator measures total funding provided by local governments to those arts agencies. The range of support to individual local arts agencies in this group is wide, ranging from \$7,500 to over \$156 million in 2013. The five largest local arts agencies account for about half of the total, with New York City’s Division of Cultural Affairs as the largest. Over these years, local governments provided steadier levels of funding directly to local arts agencies than have state governments to their corresponding state arts agencies, and 2012 saw the first increase in several years.



(\$ in millions)	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total local government support of local arts agencies in 60 large cities	322.2	325.0	318.5	337.2	332.7	425.1	450.8	442.6	426.4	416	456	477.6
CPI at 2013 = 100.0	77.2	79.0	81.1	83.8	86.5	89.0	92.4	92.1	93.6	96.6	98.6	100.0
Constant dollar local government support of local arts agencies in 60 large cities	385.6	380.3	363.0	371.7	355.3	441.3	450.8	444.1	421	398.2	427.3	447.6
Indexed to 2003 = 1.00	1.01	1.00	0.95	0.98	0.93	1.13	1.19	1.17	1.11	1.05	1.12	1.16

## CHAPTER 4. CAPACITY INDICATORS

There are 15 *Capacity* indicators for 2013. Capacity indicators measure the number and strength of individuals and organizations that provide arts and culture in the U.S. Capacity is also visible in the channels through which specific art forms (movies and music) reach their audiences, in the level of capital investment in business and nonprofit, in the organizational networks that create a supportive infrastructure, and in the lasting value of artistic assets in the national economy. They are presented here in an order roughly from individuals to institutions.

The individual indicators described in this chapter provide additional detail on the increasingly stable capacity of the arts and culture sector. Cumulatively, they result in a Capacity score of 107.9 for 2013. Of the 15 indicators, six increased, six declined, and three stayed the same.

The next two tables show the indicators used in the Capacity dimension, and the number of indicators that are used to make up the overall Capacity score in each year. Those scores are shown in Figure E below.

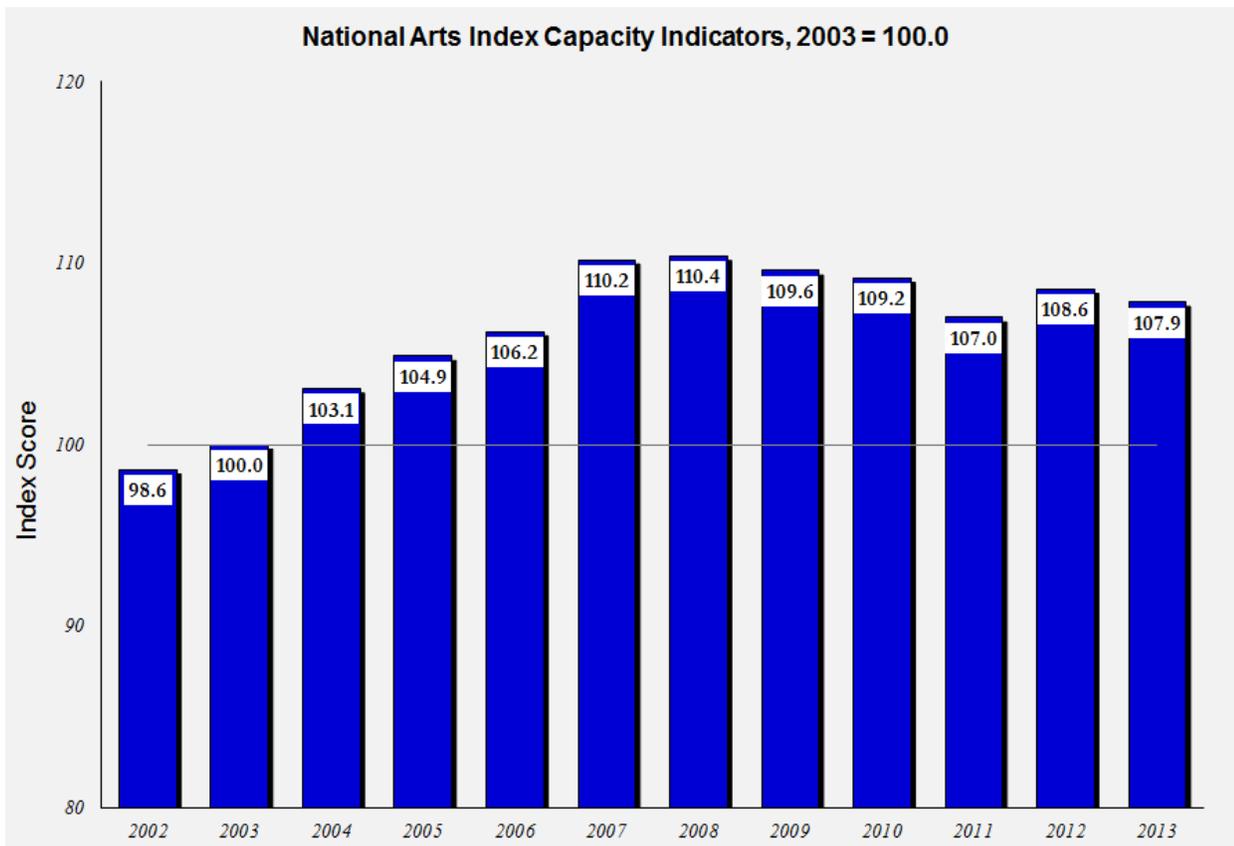
**TABLE 4. CAPACITY INDICATORS**

18.	Artists in the workforce
19.	Workers in arts and culture occupations
20.	Employees in arts and culture industries
21.	"Creative Industries" employment
22.	Arts union membership
23.	CD and record stores
24.	Independent artists, writers, and performers
25.	Movie screens
26.	Establishments in arts and culture industries
27.	"Creative Industries" establishments
28.	Registered arts and culture 501(c)(3) organizations
29.	Arts support organizations
30.	Capital investment in arts and culture industries
31.	Capital investment in nonprofit arts organizations
32.	Artistic assets in the national income accounts

**TABLE 5. CAPACITY INDICATORS PER YEAR (INCLUDES "RETIRED" INDICATORS FROM PRIOR YEARS)**

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
12	15	15	15	15	15	15	15	15	15	15	15

Averaged across all available data for each year, they produce the following 12-year trend:



**FIGURE E. NATIONAL ARTS INDEX CAPACITY INDICATORS (2003 = 100.0)**

The Capacity dimension of the Arts and Culture Balanced Scorecard illustrates one of the most striking results we found over the years: the sharp increase in the capacity of the arts industries shown in this figure, followed by moderate decline, and recovery and stability into 2013. This was visible in both human and financial terms. Every year from 2001 through 2008, the arts attracted more and more workers, employees, and individual artists—even during two recessions. These effects were seen in both the nonprofit and business sectors. Organizations had a similar growth in capacity, with more arts businesses and more solo artists. Nonprofit growth in particular was rapid, but closer examination of the count of nonprofit arts organizations by the IRS resulted in removal of thousands of nonprofits from the rolls, resulting in downward revision of earlier numbers as well as a smaller base. The number of CD stores has dropped sharply, as consumers switch their music buying to the web, and their music listening to streaming services. For most of these years, capital investment in the arts grew, and at a pace far greater than inflation. Some of that capital is in the familiar form of concert halls and exhibit spaces, but other arts and culture capital is based in technology.

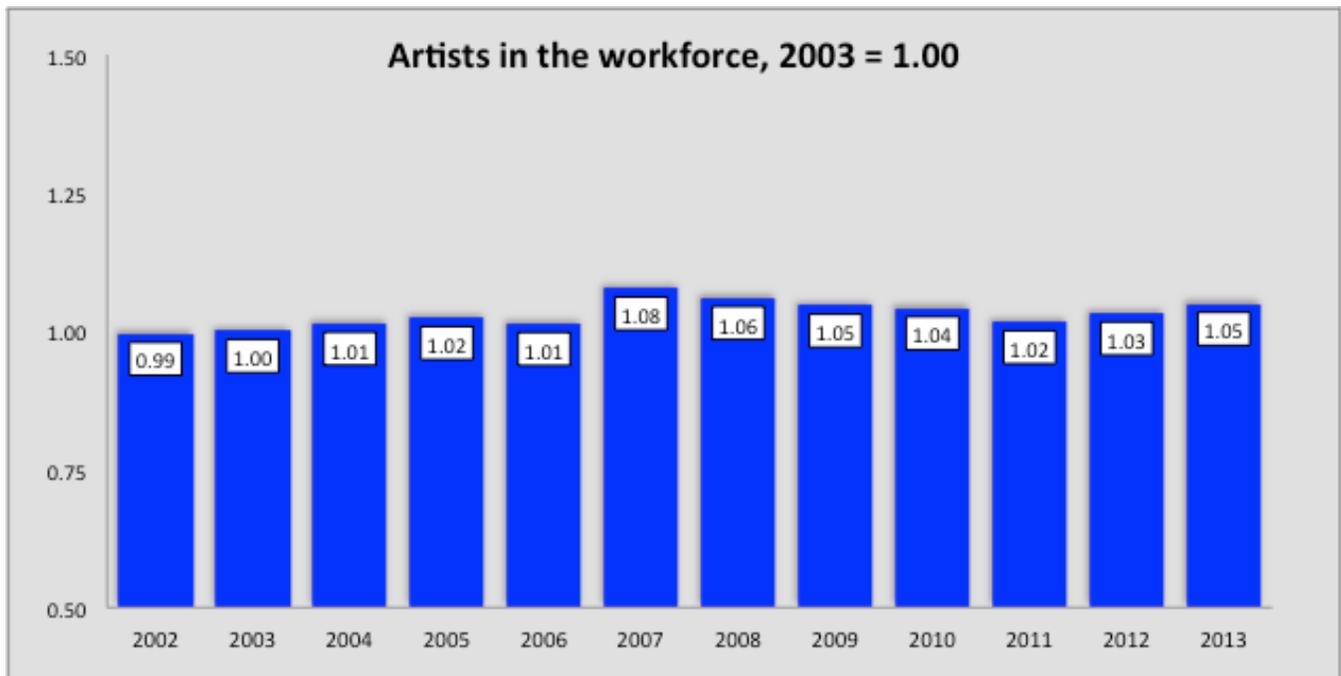
In 2013, capacity stabilized overall at a slightly lower level, but with a combination of increases and decreases. Most measures of arts employment declined, which is a concern given the overall condition of the labor market in those years. Some kinds of establishments maintained a steady level (movie screens), while others (CD stores) continue to decline in number. Capital investment in arts and culture businesses stayed steady, while capital investment in nonprofits grew slightly after years of decrease. The number of arts nonprofits grew. It is worth noting that all of these changes are *net* increases or decreases, meaning that they only report on the total

number of organizations, individuals, or the amount of capital each year. They do not show the ongoing process of new organizations entering, while other existing ones go out of business, for example. Thus, they cannot tell us about the level of attrition in existing capacity, as some organizations fail or workers find other occupations.

## 18. ARTISTS IN THE WORKFORCE

Employment in the arts is perhaps the most fundamental signal of the health and vitality of the arts sector. In this report, three different measures provide alternative views of the arts labor market. This employment indicator is a measure of how people define their *main work activity*. The National Endowment for the Arts Office of Research and Analysis uses data from the monthly Current Population Survey (CPS) of the Census Bureau, which classifies workers as “artists” if their primary occupation is one of 11 occupational types related to artistic work by the Bureau of Labor Statistics. The CPS determines a respondent’s occupation based on the work they do that takes the most time during the prior week. This is an important distinction because of how many artists work part time and/or hold multiple jobs. Thus, it is possible for an individual to work as an artist, but be classified as another kind of worker if more hours per week are devoted to the non-arts job.

This indicator measures the total number of artists in the civilian workforce, based on the CPS data published by the NEA. According to this measure, there were between 2.0 million and 2.2 million artists in the workforce from 2002 through 2013. The jump from 2006 to 2007 was driven by increases in the number of architects, designers, producers, and directors (four of the eleven occupational types). Slight declines that began in 2008 continued through 2011, but 2012 saw an increase that was sustained into 2013.

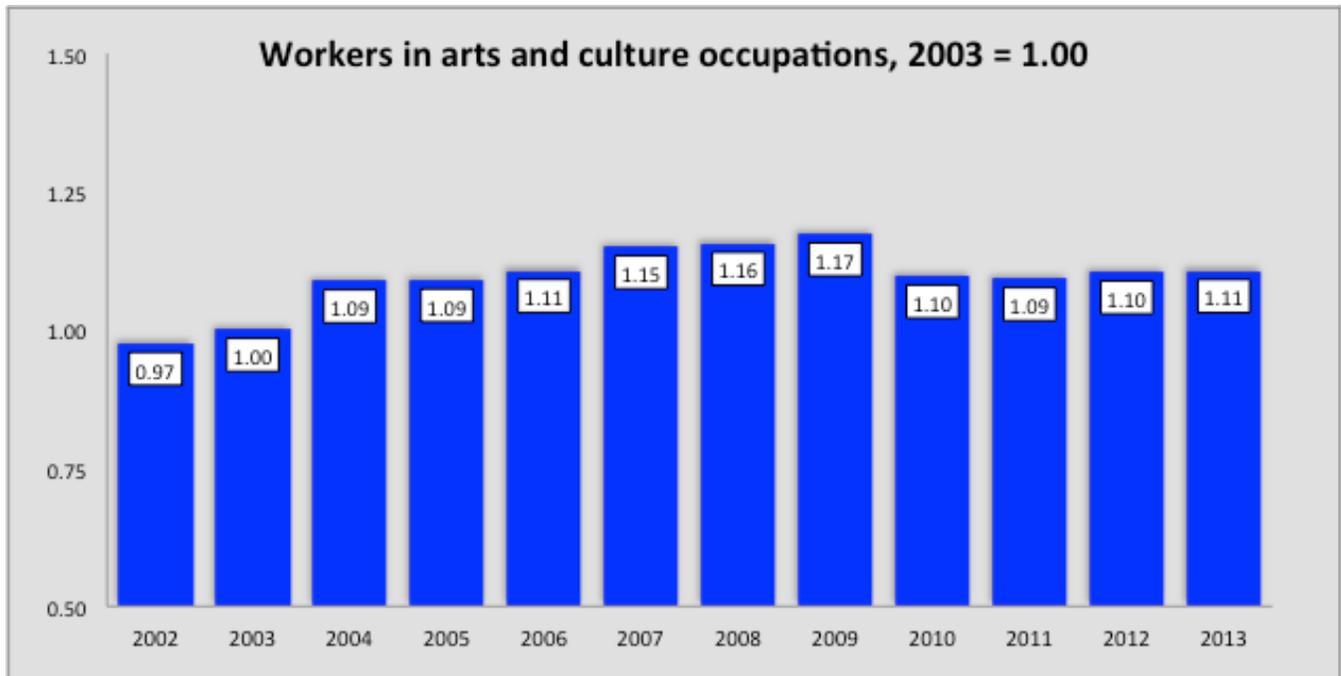


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total artists in the civilian workforce (000)	2,103	2,114	2,142	2,164	2,141	2,277	2,240	2,211	2,201	2,148	2,181	2,218
Indexed to 2003 = 1.00	0.99	1.00	1.01	1.02	1.01	1.08	1.06	1.05	1.04	1.02	1.03	1.05

## 19. WORKERS IN ARTS AND CULTURE OCCUPATIONS

This employment indicator is another measure of the *kind of work* people do. Other indicators detail the number of workers in arts industries. In fact, it is likely that most artistic workers (i.e., those in artistic *occupations*) do work in artistic industries. However, artistic occupation can differ from artistic industry. To illustrate the difference, consider that a theatre company (an organization in an arts industry) may employ one or more accounting staff (who are not specifically artistic workers). Correspondingly, a department store (not in an arts and culture industry) may employ designers (who work in artistic occupations).

This indicator measures the total number of workers in 46 arts occupations defined by the Standard Occupational Code system of the Bureau of Labor Statistics (see Appendix B). That is, it identifies workers by their occupation rather than their employment status. Following growth from 1.3 million in 1999 to 1.69 million in 2009 (+29 percent), there were declines in 2010 and 2011. It should be noted that the BLS periodically changes its measurement systems, and did so in 2004, recognizing more detailed types of occupations, and making the overall national estimates more accurate. This is part of the reason for the jump in the number of arts and culture workers between 2003 and 2004. However, changes in the numbers of workers from 2004 through 2013 are for the same set of occupations. The number of arts workers increased in 2012, and then again in 2013, reaching 1.59 million.

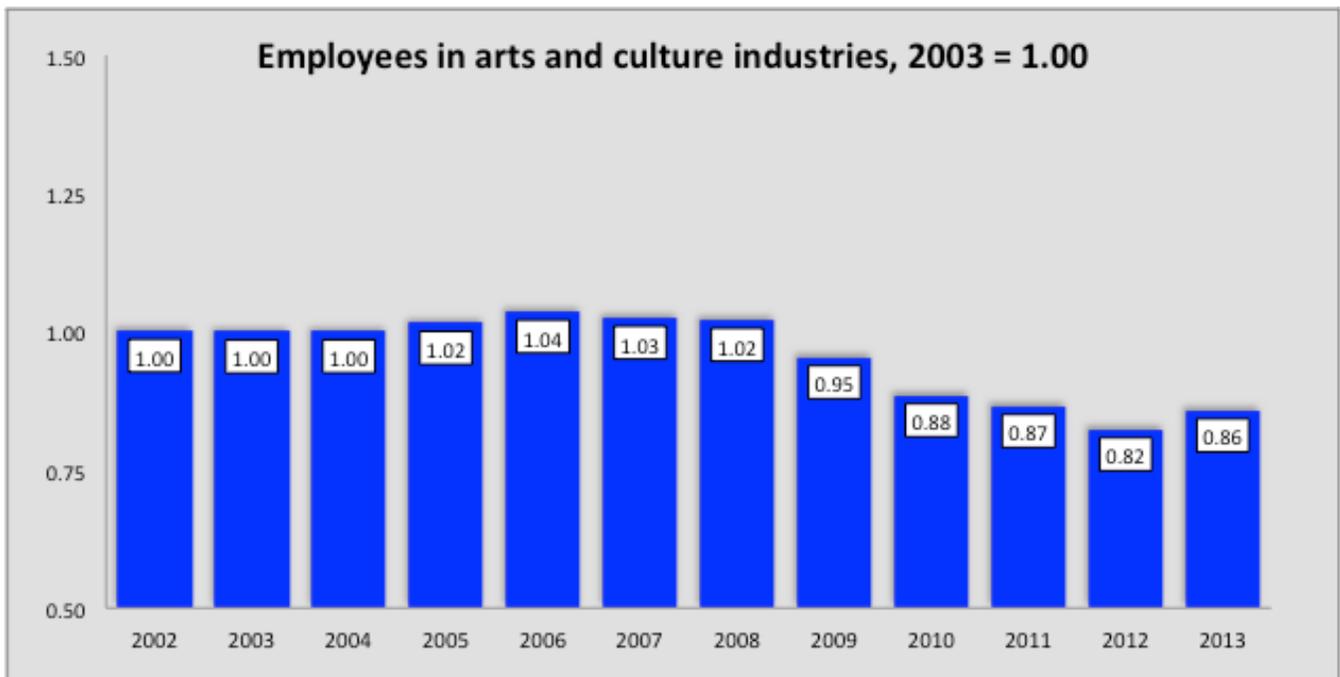


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Workers in arts and culture occupations (000)	1,401	1,438	1,564	1,566	1,591	1,652	1,661	1,686	1,576	1,569	1,587	1,590
Indexed to 2003 = 1.00	0.97	1.00	1.09	1.09	1.11	1.15	1.16	1.17	1.10	1.09	1.10	1.11

## 20. EMPLOYEES IN ARTS AND CULTURE INDUSTRIES

This employment indicator measures *where* people are employed (i.e., in which industry). Employment in the arts and culture industries is one signal of overall economic vitality and demand for artistic labor. Industries are classified in the North American Industrial Classification System (NAICS). NAICS has about 1,800 six-digit codes, of which 43 describe firms in the arts and culture industries. Data on numbers of employers, employees, and total payroll are available by NAICS from the Census Bureau in *County Business Patterns*. These figures refer specifically to employees of companies in arts industries, not to all artists or to workers in all artistic occupations (which are the basis for other indicators). Note that indicator #21 (“Creative Industries” Employment) has another view of the arts labor market.

This indicator measures the number of employees working in establishments in those 43 NAICS industries (listed in Appendix C). According to this measure, overall employment fell from 2.06 million to 1.76 million since 2002. There was, however, an increase in arts employment in 2013 after several consecutive years of decline. Self-employment in the arts rose over the same time span (Indicator # 24).

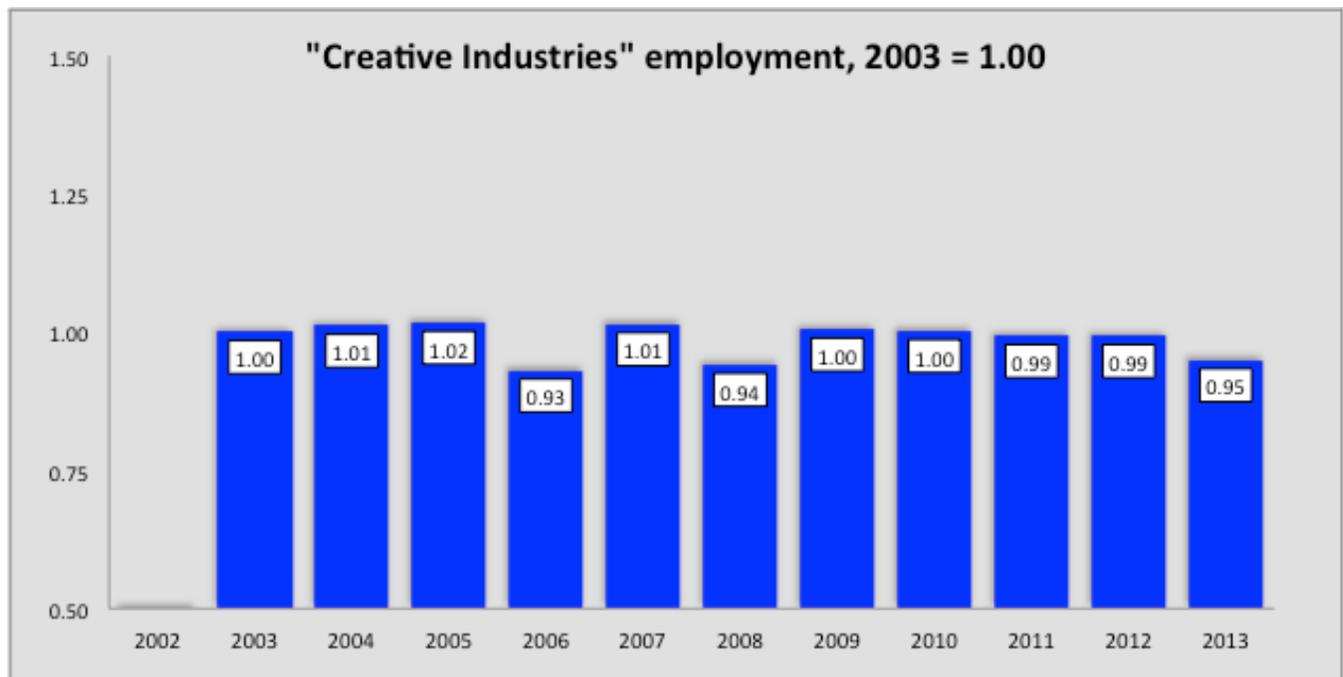


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Employees in arts and culture industries (000)	2,055	2,052	2,053	2,084	2,126	2,103	2,095	1,956	1,815	1,776	1,689	1,759
Indexed to 2003 = 1.00	1.00	1.00	1.00	1.02	1.04	1.03	1.02	0.95	0.88	0.87	0.82	0.86

## 21. "CREATIVE INDUSTRIES" EMPLOYMENT

Another research project of Americans for the Arts is an annual (since 2003) "Creative Industries: Business & Employment in the Arts" study of businesses involved with the production or distribution of the arts. These studies use data from Dun & Bradstreet ("D & B"), a well-known business information provider. The "Creative Industries" are defined by Americans for the Arts as nonprofit and for-profit businesses involved in the creation or the distribution of the arts that fit into one of 643 8-digit Standard Industrial Classification (SIC) codes. (The SIC is the predecessor to NAICS but was more detailed, incorporating about 18,500 individual codes at the 8-digit level, while there are fewer than 1,900 NAICS codes—see indicator #20.) Thus, where the SIC system, for example, has 23 separate classifications for various specific musical instrument manufacturers, the NAICS system has only one.

This indicator measures the number of employees in "Creative Industry" organizations. We note elsewhere that this measure does not distinguish artistic from non-artistic workers, as long as they work in artistic industries (e.g., both actors and finance managers might work in a theatre organization). In 2011, D & B changed its data gathering method, resulting in a jump in their total counts of all employees, including those in the arts. However, viewed as a fraction of employees in all industries where D & B gathers data, the "Creative Industries" share of all employment stayed steady, in the narrow range from 2.0 percent to 2.2 percent from 2002 to 2013. In recent years, D & B aggressively expanded its list of business establishments, resulting in a higher number of total employees. The year-to-year trend in share for the arts, however, has remained steady. Creative Industries employment fell in 2013.

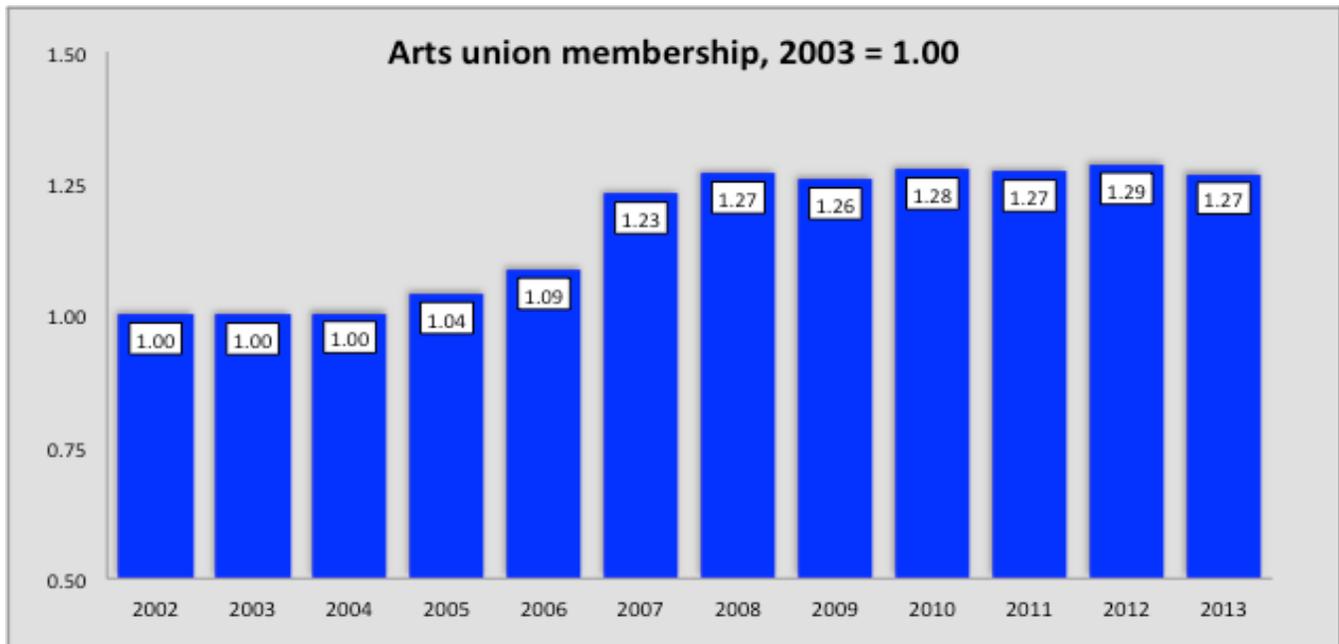


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Arts Employees (000)		2,989	2,966	2,869	2,671	2,981	2,817	2,991	2,991	3,348	3,208	3,067
Total D&B Employees (000)		137,936	135,312	130,208	132,436	135,607	138,177	137,364	137,771	155,630	149,092	149,092
Arts share of total		2.17%	2.19%	2.20%	2.02%	2.20%	2.04%	2.18%	2.17%	2.15%	2.15%	2.06%
Indexed to 2003 = 1.00	N/D	1.00	1.01	1.02	0.93	1.01	0.94	1.00	1.00	0.99	0.99	0.95

## 22. ARTS UNION MEMBERSHIP

Professionals in many fields organize in associations and guilds to maintain professional standards and protect their members' rights in the workplace. Unions, especially in performing arts and movie-making, serve the arts and culture fields as bargaining agents for actors, musicians, writers, directors, choreographers, and others. Union membership totals do not equate to the number of jobs, as many arts unions members are typically self-employed and freelance. Nonetheless, labor organizing in the arts is included as a measure of arts capacity.

This indicator measures total membership in 10 such arts-related unions. These figures are from the Office of Labor Management Standards in the U.S. Department of Labor, using self-reported data from those unions. Overall, arts union membership was flat before rising sharply starting in 2006. Some of this increase in the total tally results from multiple union memberships by some performing artists. In 2013, separate reporting of Screen Actors Guild and American Federation of Television and Radio artists ended as they merged as "SAG/AFTRA." There are also, some arts workers, such as ticket takers, that are represented by unions not listed here (e.g., Teamsters or Service Employees International Union). Total membership in these arts-specific unions was 545,000 in 2013, down slightly from 2012.

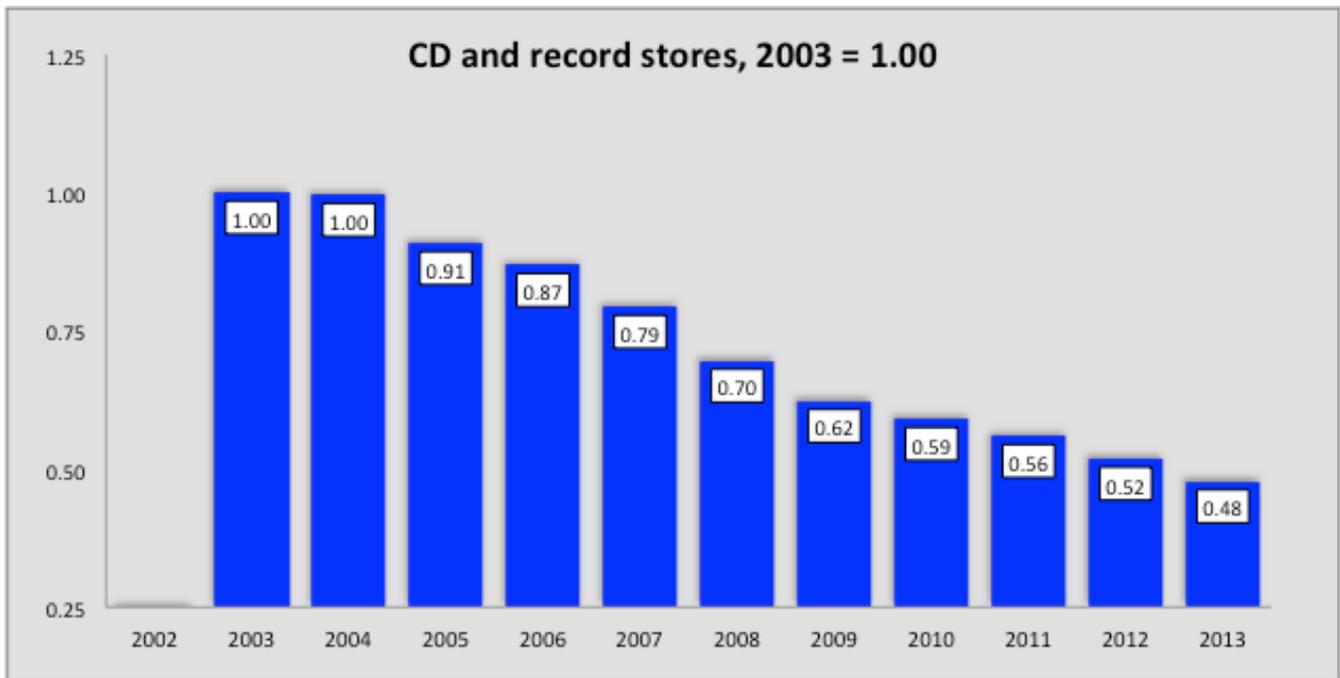


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Actors Equity	45,096	46,013	46,772	39,397	39,969	41,358	42,166	42,676	42,524	42,549	42,392	42,522
American Federation of Musicians	102,000	98,893	96,632	92,006	89,860	89,460	88,423	89,349	92,404	85,039	79,700	79,599
American Federation of Television & Radio Artists	63,212	64,980	59,431	57,452	70,106	59,788	70,716	61,522	65,182	68,113	74,449	
American Guild of Musical Artists	7,000	6,778	8,775	9,525	6,886	6,821	7,084	6,937	6,898	7,149	7,071	7,523
American Guild of Variety Artists	3,900	3,900	3,900	3,900	3,100	2,697	2,894	2,917	2,800	2,800	2,800	2,630
Directors Guild of America	12,763	12,885	13,124	13,384	13,326	13,775	14,310	14,478	14,624	14,842	15,065	15,437
International Assn of Theatrical Stage Employees	103,506	104,102	105,180	105,273	105,366	108,386	110,784	112,424	112,466	112,461	114,542	116,185
Motion Picture Industry Basic Crafts	5,600	5,600	5,600	5,600	6,329	6,015	6,075	6,050	6,050	7,050	6,580	6,570
Screen Actors Guild, later SAG/AFTRA	74,162	73,759	78,698	107,547	108,484	176,455	178,437	179,262	180,091	180,751	183,782	247,472
Stage Directors and Choreographers Society	1,765	1,854	1,948	2,031	2,169	2,274	2,371	2,394	2,467	2,506	2,569	2,634
Writers Guild of America East	4,173	4,161	4,229	3,810	3,770	3,800	3,791	3,777	3,917	3,964	3,622	3,670
Writers Guild of America West	7,646	7,601	7,580	7,627	18,032	18,519	18,881	19,354	19,763	20,181	20,729	21,195
<b>Total</b>	<b>430,823</b>	<b>430,526</b>	<b>431,869</b>	<b>447,552</b>	<b>467,397</b>	<b>529,348</b>	<b>545,932</b>	<b>541,140</b>	<b>549,186</b>	<b>547,405</b>	<b>553,301</b>	<b>545,437</b>
Indexed to 2003 = 1.00	1.00	1.00	1.00	1.04	1.09	1.23	1.27	1.26	1.28	1.27	1.29	1.27

## 23. CD AND RECORD STORES

Arts and culture products like books and records often reach their end consumer markets through traditional retailers. The number of retail outlets helps to indicate the capacity of the marketplace to serve the needs of music customers. Clearly, much of this traffic has moved to the internet, changing the ways that recording artists and record labels reach their listeners. Nonetheless, retail music sales still lead to sales of millions of CDs, in addition to downloads. Almighty Music Marketing monitors the retail sector, maintaining a database that is updated three times each year. It covers diverse all retailers including “big box” retailers, department stores, record company chains, and independent “mom and pop” record stores that regularly stock a minimum of 200 unique new recordings.

This indicator measures the number of independent retail locations and record store chains in the U.S. The data show that record retailing has suffered as fewer small competitors remain in business, and as big box retailers, legal downloads, and online retail have been capturing market share. In 2003, there were 3,329 such independent retailers, but the number declined to 1,590 by 2013 (down 52 percent).

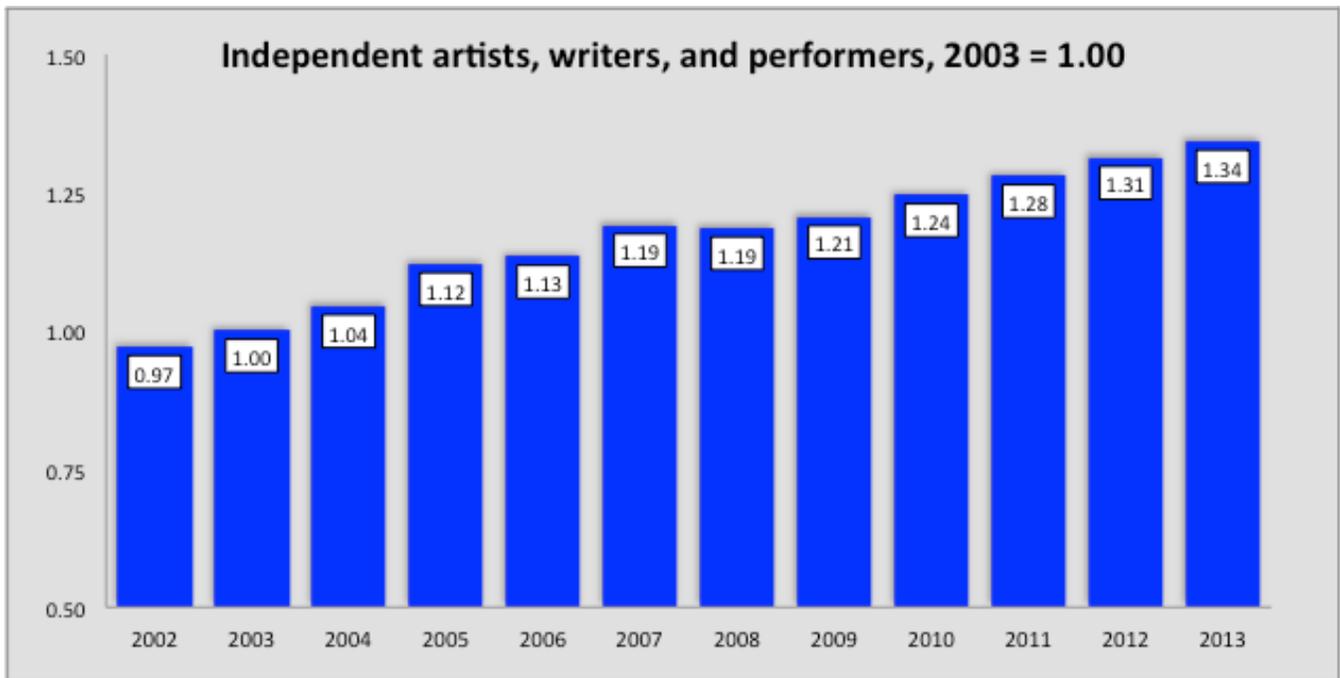


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Independent CD Stores		3,329	3,315	3,024	2,892	2,641	2,316	2,074	1,966	1,863	1,727	1,590
Indexed to 2003 = 1.00	N/D	1.00	1.00	0.91	0.87	0.79	0.70	0.62	0.59	0.56	0.52	0.48

## 24. INDEPENDENT ARTISTS, WRITERS, AND PERFORMERS

While much of the attention paid to the arts in the public arena is to established arts organizations and institutions, individuals also enter the arts as entrepreneurs and proprietors. Individual arts entrepreneurs, or soloists, are active as poets, painters, musicians, dancers, actors, and many other artistic disciplines. The solo artist who works without employees is one such entrepreneur. Many independent artists ply their cultural trade on a part-time basis, combining arts entrepreneurship with other jobs and work. Data on the number of “non-employers” in business are kept by the Census Bureau.

This indicator measures the number of individual artists in NAICS 7115—“Independent artists, writers, and performers,” who are not also employers. This total grew steadily between 2002 and 2013, from 554,000 to 766,000. Of these, more than 97 percent are in fact sole proprietors, with small numbers of corporations and partnerships. The steady growth in the numbers of these artistic entrepreneurs shows continuing interest and enthusiasm on the part of individual artists to be commercial competitors.

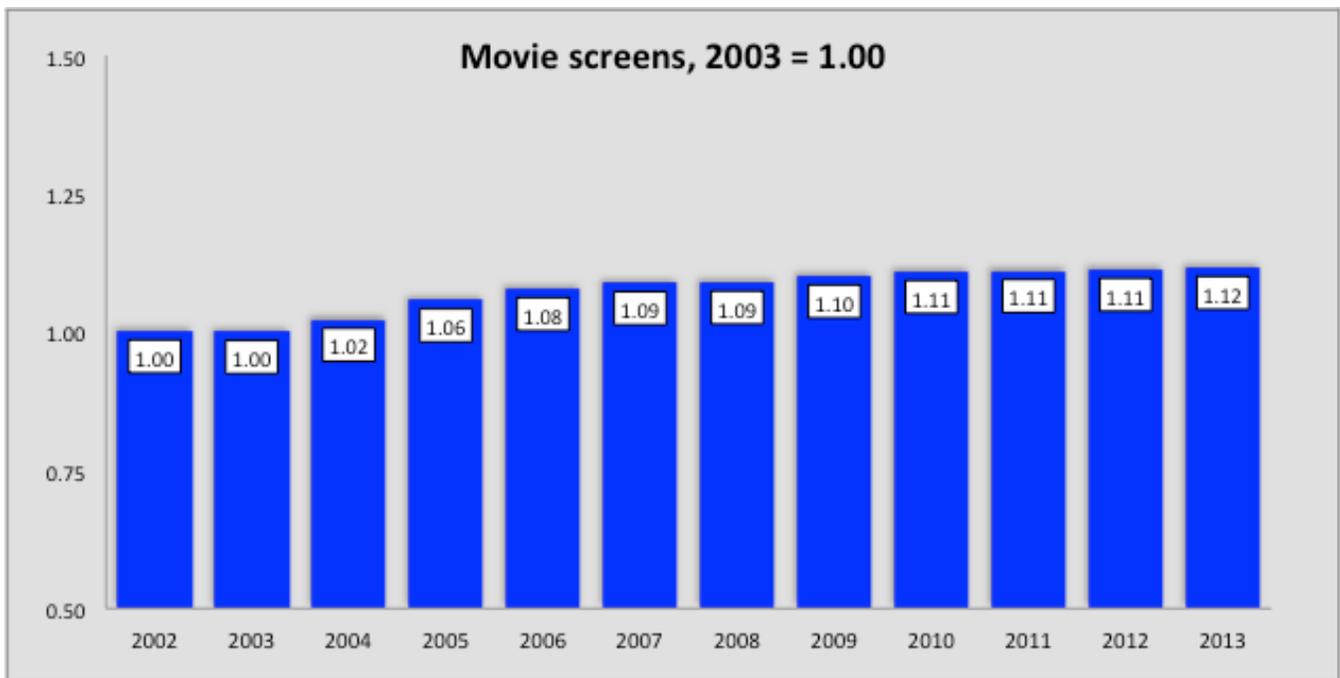


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Independent artists, writers, and performers	553,776	570,577	595,845	639,149	646,865	679,247	676,182	687,699	710,327	730,022	748,921	765,790
Indexed to 2003 = 1.00	0.97	1.00	1.04	1.12	1.13	1.19	1.19	1.21	1.24	1.28	1.31	1.34

## 25. MOVIE SCREENS

Film production reaches audiences on screens in movie houses, via television, distributed on film, or (increasingly) in the form of digital files. Even while some of this distribution migrates to the internet and bypasses movie houses, the viewing experience of the cinema is still a vital element of movie ecology.

This indicator measures the number of movie screens, as reported by the National Association of Theatre Owners. The number of screens increased from about 36,000 in 2002 to nearly 40,000 in 2013. This translates into 126 screens available per million population, making movie screens one of the most widely available venues for public arts and culture presentations. It is worth noting that with so many screens in multiplex cinemas, there are certainly fewer cinema facilities than screens. As with recorded music, movies face threats to long-time distribution channels as downloads, streaming, and other releases that compete with cinemas for viewer attention.

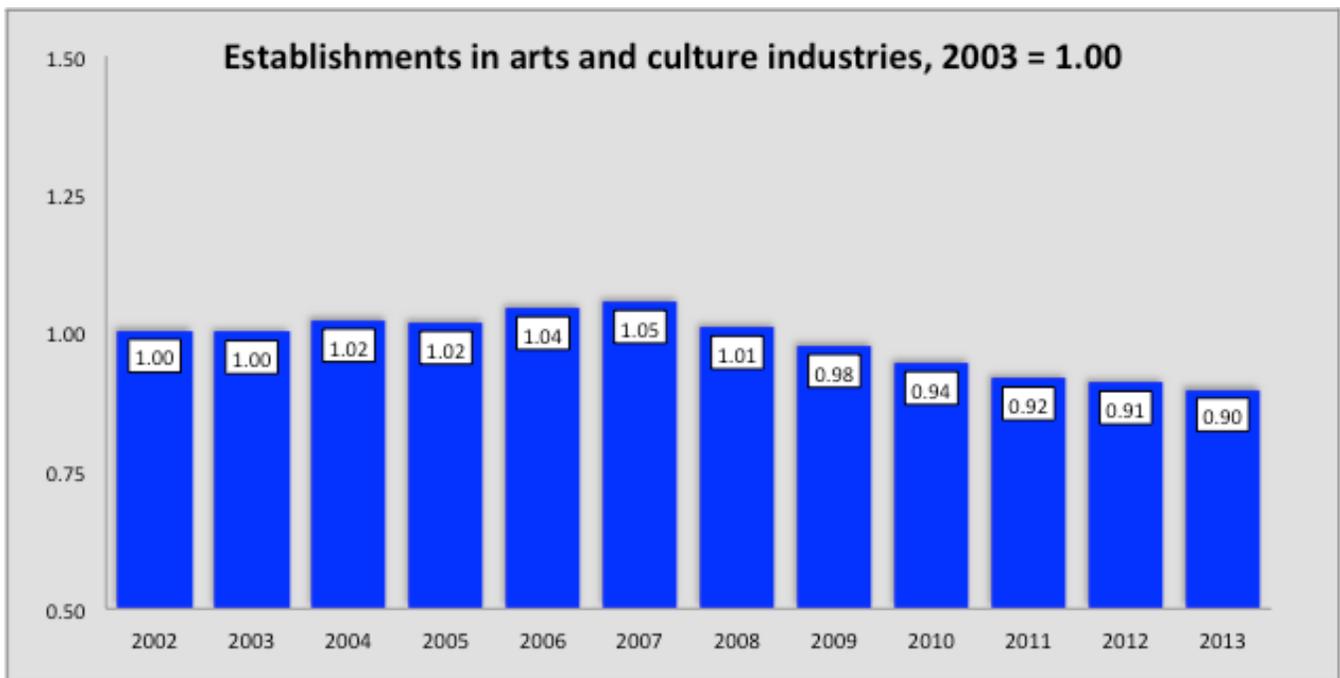


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Movie Screens	35,688	35,650	36,435	37,688	38,415	38,794	38,834	39,233	39,520	39,580	39,662	39,783
U.S. population (millions)	287.8	290.3	293.0	295.8	298.6	301.6	304.4	307.0	309.6	311.6	314.9	316.1
Movie screens per million population	124.0	122.8	124.3	127.4	128.7	128.6	127.6	127.8	127.6	127.0	125.9	125.8
Indexed to 2003 = 1.00	1.00	1.00	1.02	1.06	1.08	1.09	1.09	1.10	1.11	1.11	1.11	1.12

## 26. ESTABLISHMENTS IN ARTS AND CULTURE INDUSTRIES

Arts organizations and businesses are the backbone of arts and culture activities—the producers of arts goods, services, and arts experiences. Both commercial profit-seeking and nonprofit organizations have important roles to play. They are repositories of artistic and creative technique, maintain artistic traditions, and provide employment for artistic workers.

This indicator measures the number of all establishments that are in arts and culture industries, using the same 43 NAICS codes and *County Business Patterns* data used to describe “Employees in arts and culture industries” (Indicator #20). Almost 200,000 commercial and nonprofit arts firms play roles as artists, ensembles, intermediaries, and more. The tally of arts establishments grew slowly, but steadily from 2000 to a peak of 229,000 in 2007, but declined by 14 percent during the recession to 194,000 in 2013.

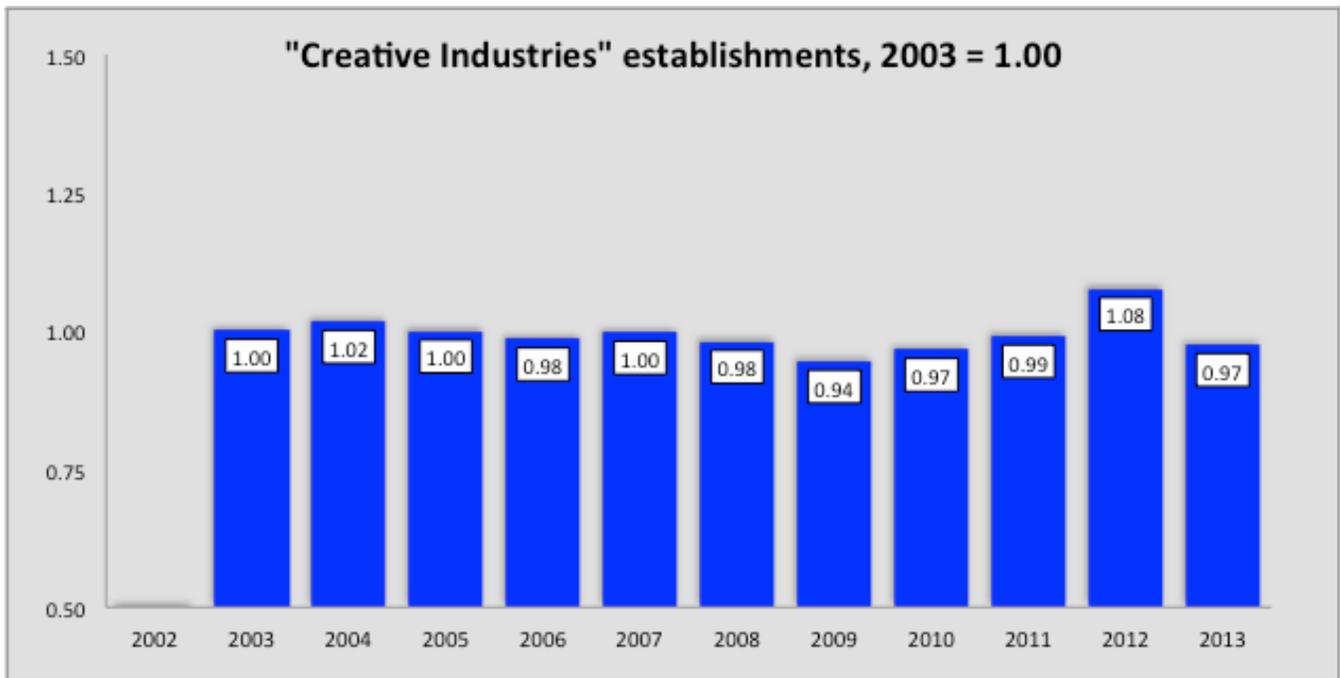


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Establishments in all NAICS industries	216,995	216,480	221,107	220,185	225,880	228,377	218,328	211,081	204,375	198,344	196,723	193,961
Indexed to 2003 = 1.00	1.00	1.00	1.02	1.02	1.04	1.05	1.01	0.98	0.94	0.92	0.91	0.90

## 27. "CREATIVE INDUSTRIES" ESTABLISHMENTS (DUN & BRADSTREET DATA)

In addition to studying the numbers of employees, the Americans for the Arts "Creative Industries" studies count the total number of establishments. These studies use data from Dun & Bradstreet ("D & B"). This count includes different kinds of establishments, such as sole proprietors, business companies of any size, and nonprofits—businesses involved in the creation or distribution of the arts. "Establishments" refers to locations, so companies with more than one location are counted more than once. The "Creative Industries" are defined by the same set of SIC codes used in the count of "Creative Industries" employees (see indicator # 21).

This indicator measures the number of establishments in the "Creative Industries." As a share of all of the nation's businesses, "Creative Industries" firms maintain a steady share of between 4.1 percent and 4.6 percent of all establishments counted by Dun & Bradstreet (21.5 million). The Creative Industries tally grew in 2012, in part because of how D & B expanded its list of businesses establishments, and in part because of growth in the Creative Industries. In 2013, both the count and share measured by this indicator declined, but remained in the range of recent years.

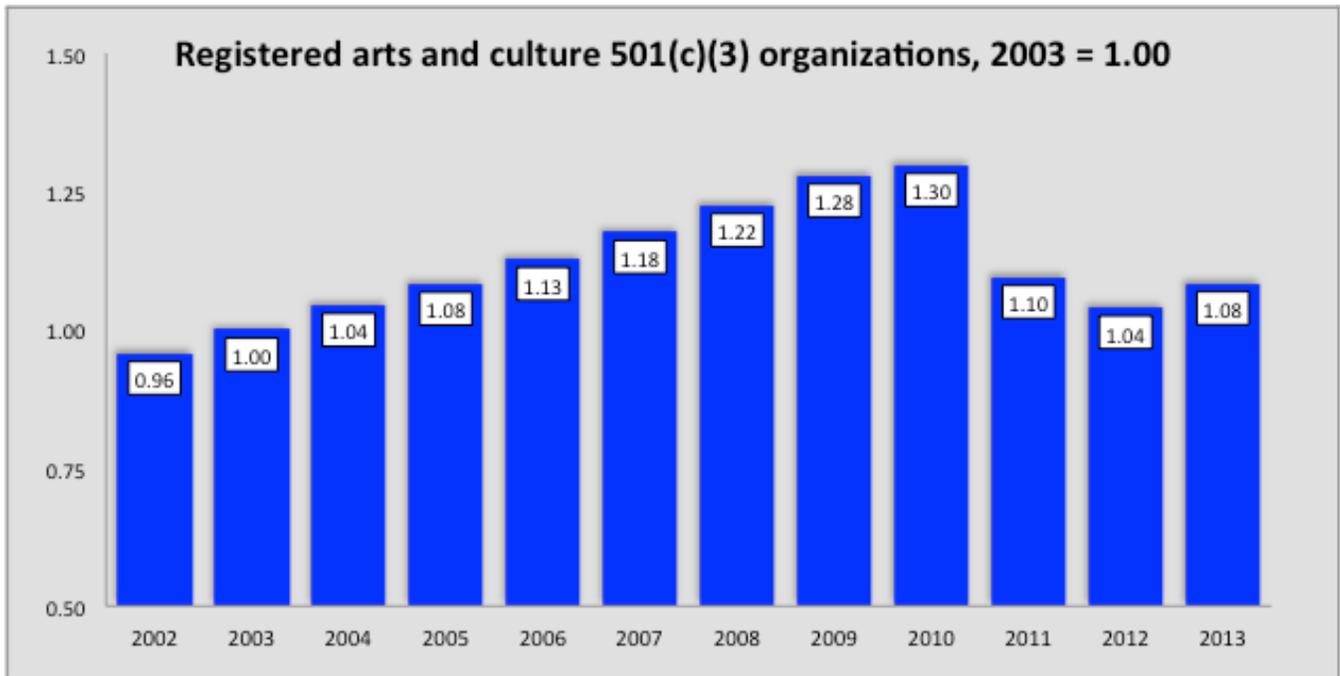


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Arts Businesses		548,281	578,487	546,466	546,558	612,095	686,076	668,267	756,007	905,869	828,161	750,453
Total D&B Businesses (000)		12,784	13,274	12,759	12,945	14,324	16,326	16,504	18,261	21,341	17,961	17,961
Arts as % of total		4.29%	4.36%	4.28%	4.22%	4.27%	4.20%	4.05%	4.14%	4.24%	4.61%	4.18%
Indexed to 2003 = 1.00	N/D	1.00	1.02	1.00	0.98	1.00	0.98	0.94	0.97	0.99	1.08	0.97

## 28. REGISTERED ARTS AND CULTURE 501(c)(3) ORGANIZATIONS

The vigor of the arts rests in many ways on thousands of nonprofit organizations that present and organize arts programs in communities around the country. In many arts and humanities disciplines (visual and performing arts, historical and museum organizations, and arts education), nonprofit status is the norm. Most of these are charitable organizations as defined by section 501(c)(3) of the Internal Revenue Code. Nonprofits are also classified by their main activity in the National Taxonomy of Exempt Entities (NTEE), which includes about 400 different organizational types. Of special interest are those in 43 different categories in NTEE Major Group “A” (Arts Culture and Humanities), such as music, theatre, visual arts, dance, museums, and media, plus those in group N52, Fairs and Festivals.

This indicator tallies the total number of arts nonprofits using data from IRS Business Master Files at the National Center for Charitable Statistics in the Urban Institute. From 2000 through 2010, the number of nonprofit arts organizations grew 49 percent (76,000 to 113,000), faster than the total nonprofit sector, which grew 32 percent (1.2 million to 1.6 million). After these many years of growth, the nonprofit sector contracted in 2011, due mainly to the removal from IRS rolls of tens of thousands of nonprofits that had not filed information returns for three years, plus recessionary pressures that resulted in the closure of some organizations. For arts in particular, these combined effects resulted in some 22,000 arts groups departing from the records through 2011—a 20 percent drop. After declines lasting into 2012, more organizations were visible in 2013.

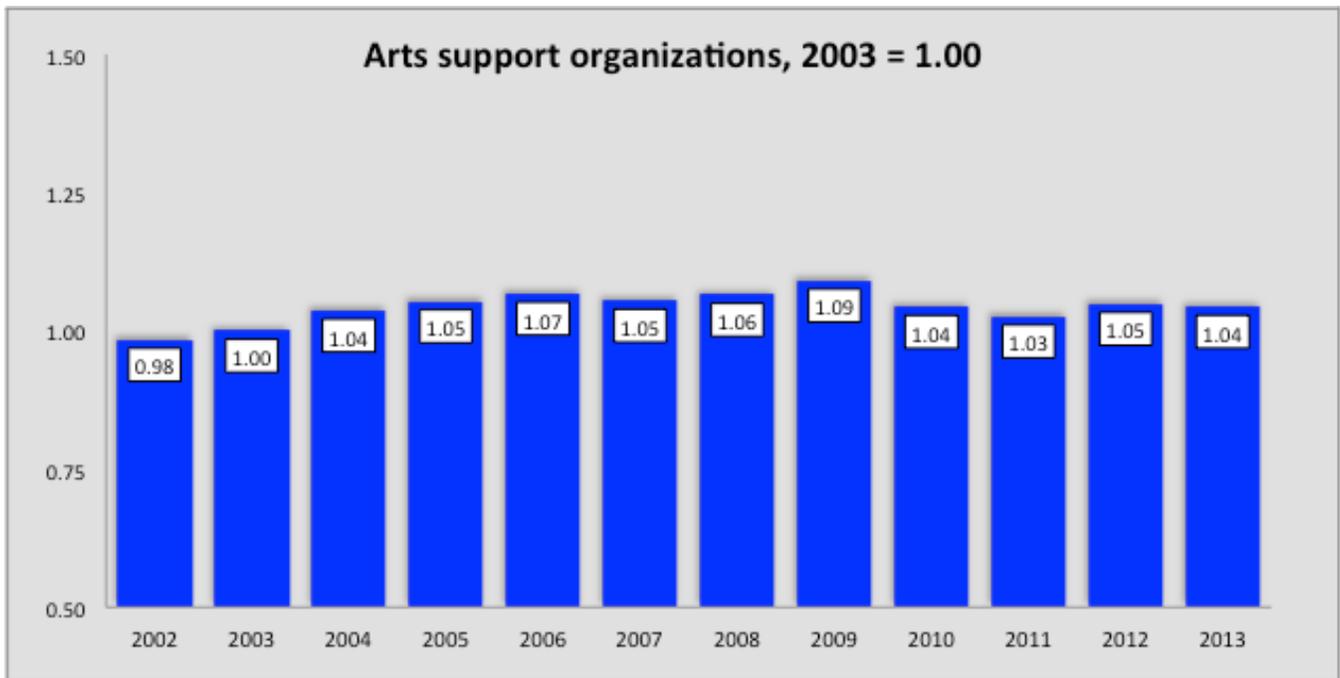


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Registered 501(c)(3) organizations	83,521	87,223	91,107	94,450	98,377	102,638	106,845	111,526	113,188	95,339	90,739	94,537
Indexed to 2003 = 1.00	0.96	1.00	1.04	1.08	1.13	1.18	1.22	1.28	1.30	1.10	1.04	1.08

## 29. ARTS SUPPORT ORGANIZATIONS

Healthy arts ecology clearly requires organizations whose primary mission is to actually create arts products, services, and experiences. Those producing organizations benefit from the help of enabling organizations that support them with advocacy, fundraising, and research. Examples include local arts agencies, united arts funds, national service organizations for many artistic disciplines, auxiliary groups or guilds raising money for specific arts organizations, advocacy groups focused on cultural policy, researchers on philanthropy, and more. (Many of such organizations have generously provided data for this report).

This indicator measures the number of organizations classified in the National Taxonomy of Exempt Entities as Alliance/Advocacy Organizations, Research Institutes and/or Public Policy Analysis, Monetary Support—Single Organization, Monetary Support—Multiple Organizations, and Nonmonetary Support Not Elsewhere Classified, adjusted for population. The number of such support organizations contracted slightly during the recession but has largely recovered to about 3,800 by 2013.

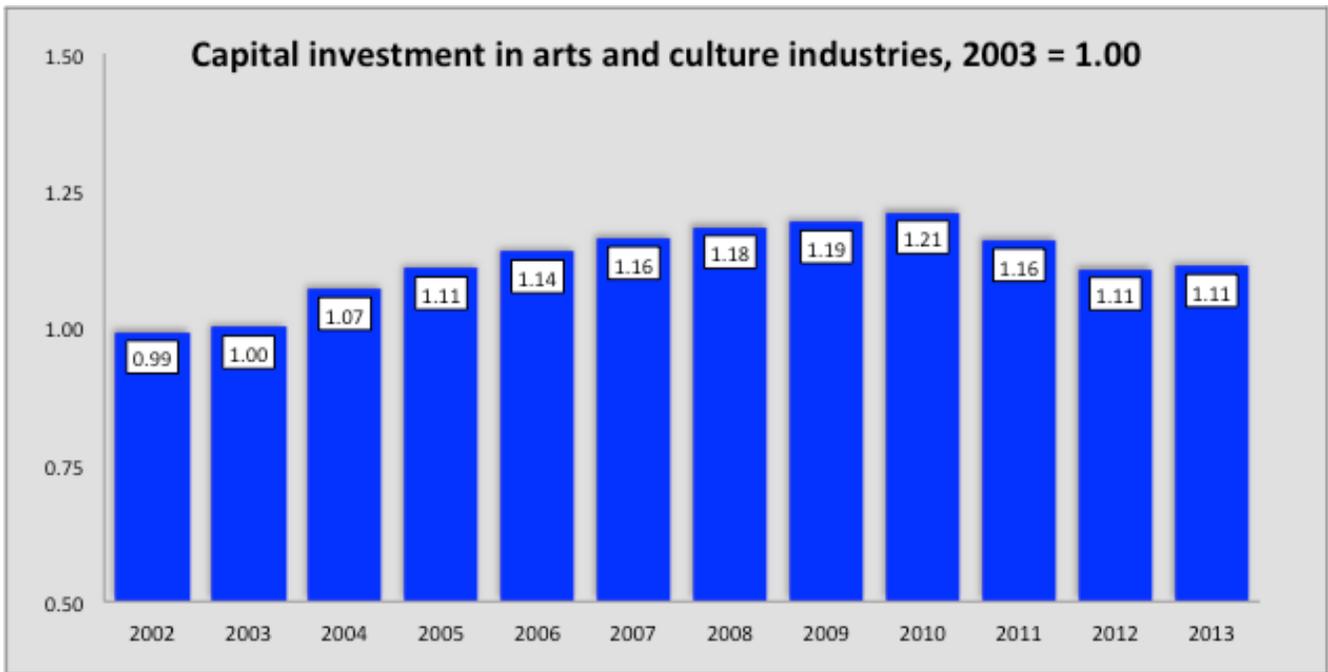


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Arts support organizations	3,223	3,305	3,458	3,546	3,627	3,620	3,690	3,812	3,677	3,639	3,759	3,755
U.S. population (millions)	287.8	290.3	293.0	295.8	298.6	301.6	304.4	307.0	309.2	311.6	314.9	316.1
Arts support organizations per million population	11.2	11.4	11.8	12.0	12.1	12.0	12.1	12.4	11.9	11.7	11.9	11.9
Indexed to 2003 = 1.00	0.98	1.00	1.04	1.05	1.07	1.05	1.06	1.09	1.04	1.03	1.05	1.04

### 30. CAPITAL INVESTMENT IN ARTS AND CULTURE INDUSTRIES

Most forms of artistic production need some kind of capital equipment to produce the most basic art (the song, or the dance), and/or reach larger audiences (buildings, lights, and sound systems). “Capital” here refers to long-lasting assets used to produce output. In accounting statements, capital assets are designated as “property, plant, and equipment” or in similar language. The Bureau of Economic Analysis estimates the depreciated value of capital stock of firms in different industries, nationally, at the four-digit NAICS level.

This indicator tracks inflation-adjusted net capital in industries related to arts and culture (e.g., Motion Picture and Sound Recording, and Book Publishing). The Bureau’s data do not describe all six-digit NAICS industries, so the share of the entire publishing industry (which includes software, directories, magazines, and books) was adjusted using the share of revenue earned by different kinds of publishers. Companies in industries that create and disseminate literature, film, and music invested more every year. In any year, some capital spending is for expansion and some is to replace equipment that has been fully depreciated, so total capital spending is somewhat understated in the table. Data for this indicator was revised by BEA for years before 2013, but generally maintains the same rate of change for prior years. After rising rapidly through 2010, investment in those sectors lagged in 2011, and then stabilized in 2012 and 2013 at around \$124 billion.

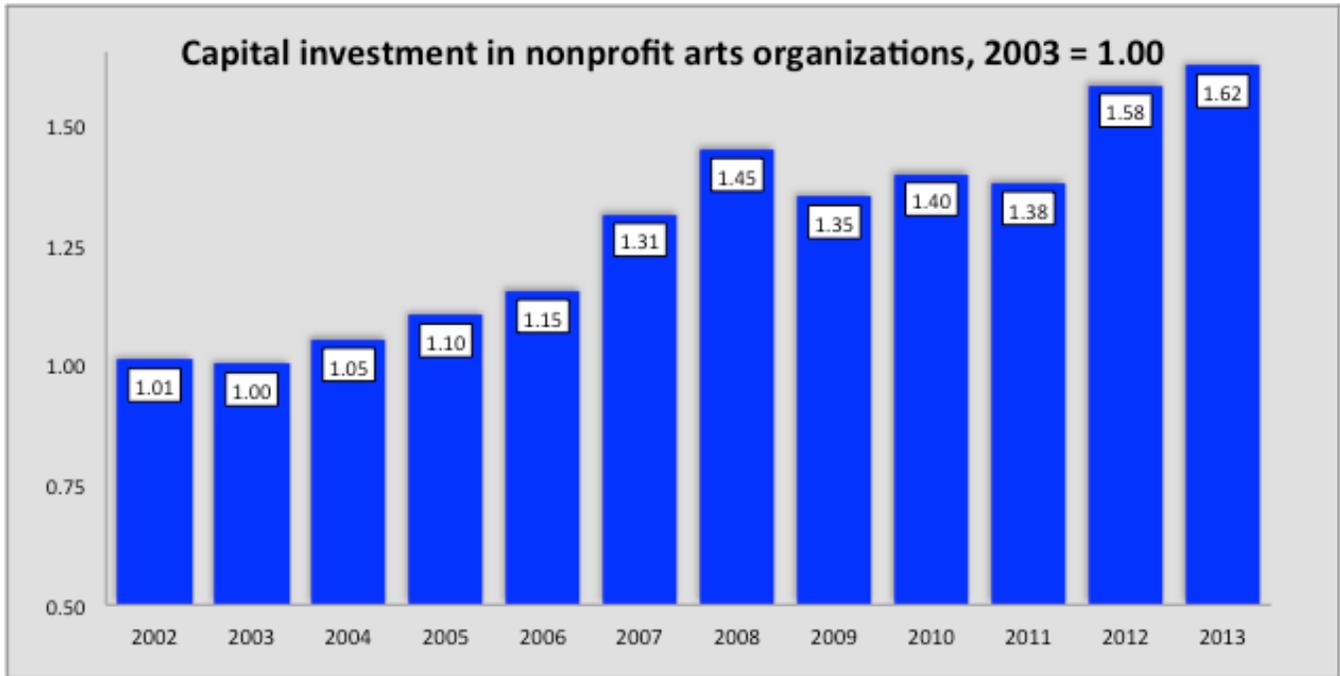


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Net Capital Stock of NAICS 511,- Publishing Industries (\$B)	81.5	89.1	94.2	98.2	105.5	113.5	121.2	121.4	121.5	125.8	123.4	125.5
Share of revenue in NAICS 511 from NAICS 5113, Book Publishers	19.1%	18.5%	19.4%	18.7%	18.5%	18.9%	19.8%	21.9%	23.4%	21.7%	20.7%	20.7%
Book publisher share of 5110 capital stock (\$B)	15.6	16.5	18.2	18.4	19.5	21.5	23.9	26.6	28.4	27.3	25.5	26.0
Net Capital Stock of NAICS 5120 - Motion Picture and Sound Recording Industries (\$B)	35.6	36.4	39.8	43.7	46.4	47.7	49.2	46.9	47.3	47.6	47.4	48.4
Total net capital stock of selected industries	51.1	52.8	58.0	62.1	65.9	69.2	73.1	73.4	75.7	74.9	72.9	74.4
CPI at 2013 = 100.0	77.2	79.0	81.1	83.8	86.5	89.0	92.4	92.1	93.6	96.6	98.6	100.0
Constant dollar total net capital stock of selected industries (\$B)	66,280	66,882	71,578	74,086	76,114	77,759	79,106	79,734	80,914	77,520	74,016	74,393
Indexed to 2003 = 1.00	0.99	1.00	1.07	1.11	1.14	1.16	1.18	1.19	1.21	1.16	1.11	1.11

### 31. CAPITAL INVESTMENT IN NONPROFIT ARTS ORGANIZATIONS

The physical capital of nonprofit arts organizations includes property, plant, equipment, and facilities. Concert halls, museums, theatres, and the equipment in them are examples of this kind of asset. These are one measure of the capacity of nonprofits to provide services and activities, even while they only reach their full potential for the arts when artists and audiences fully activate them. In the business sector, the NAICS system can be used to identify companies that operate in one industry or another. In the nonprofit sector, the NTEE system is used.

This indicator measures constant dollar value of capital on the balance sheets of nonprofits in NTEE Major Group A, plus group N52 (fairs and festivals). It is prepared as an aggregate measure for this report by National Center for Charitable Statistics. It has risen steadily since 2000, and vigorously since the recession, reaching \$40.3 billion in 2013. Balance sheet values are less than their original cost both because of recognized depreciation. Taking this and inflation into account, they reflect vigorous capital investment in the physical places where the arts are experienced. Like the indicator for nonprofit revenue (indicator # 11), it only describes the 46 percent of arts organizations that file IRS Form 990, and this number is growing (Indicator #28). Overall growth in capital spending is probably greater than reported, because the reports do not distinguish capital spending for expansion from capital spending to replace equipment that has been fully depreciated.

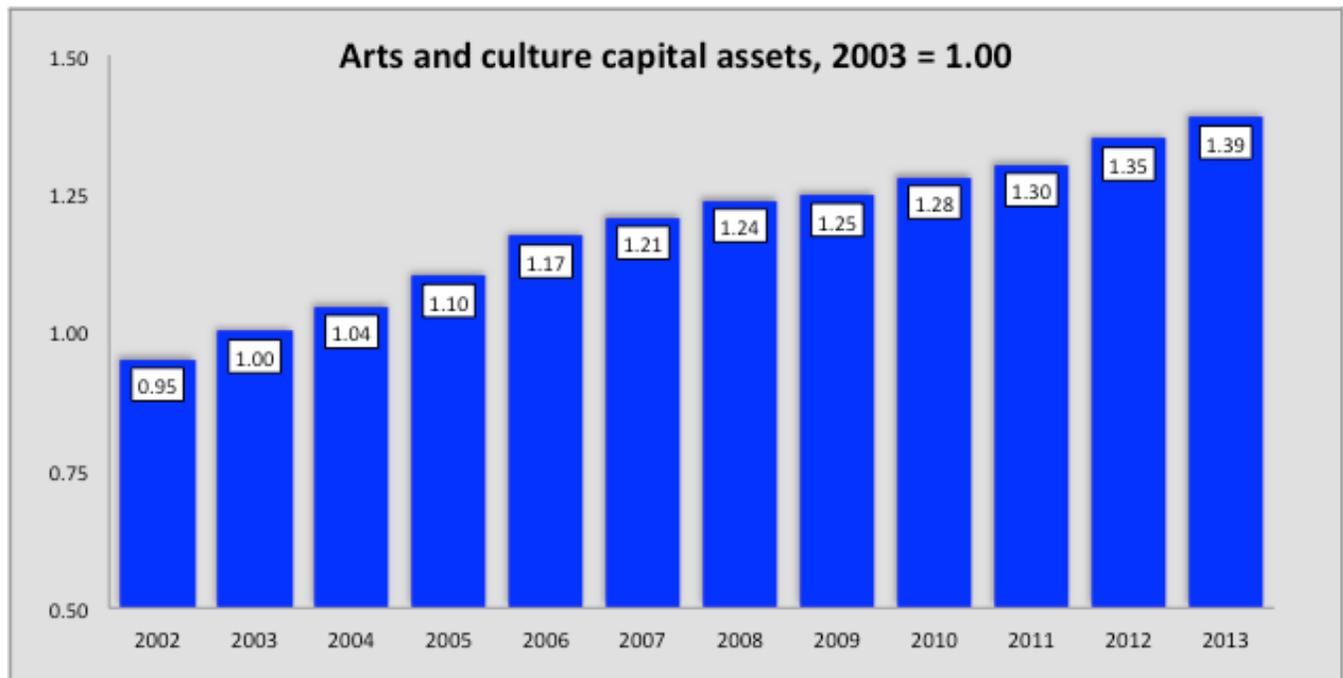


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Capital assets net of depreciation (\$M)	20,657	20,944	22,603	24,489	26,436	30,939	35,443	32,925	34,640	35,244	41,287	42,972
CPI at 2013 = 100.0	77.2	79.0	81.1	83.8	86.5	89.0	92.4	92.1	93.6	96.6	98.6	100.0
Constant dollar net capital assets (\$M)	26,749	26,517	27,875	29,212	30,549	34,762	38,350	35,752	37,008	36,501	41,893	42,972
Indexed to 2003 = 1.00	1.01	1.00	1.05	1.10	1.15	1.31	1.45	1.35	1.40	1.38	1.58	1.62

## 32. ARTISTIC ASSETS IN THE NATIONAL INCOME ACCOUNTS

Arts and culture activities produce opportunities for experiences and engagement by individuals. Another function of the arts economy is that it is a source of products that endure far longer than transient performances. Among these are long-lived artistic originals such as books, records, and movies. Other indicators in this report refer to the annual production and consumption of such artistic originals, but there has been little evidence of how the value of these artistic products has accumulated over the years. In 2013, the Bureau of Economic Analysis (BEA) adjusted its National Income and Product Accounts to more formally recognize the contributions of these long-lived artistic assets to overall economic growth.

This indicator measures the total worth of these artistic assets, and it shows that their accumulating value over the years from 2002 to 2013 has been very substantial. These assets totaled more than \$465 billion in 2013. Television programs and books had the strongest rise, while the value of music assets declined slightly, possibly as a result of illegal downloading, reducing the revenue received by the owners of music copyrights. The revision of the NIPA system to accommodate artistic assets and other intellectual property has resulted in a higher measure of GDP, now that BEA is recognizing the value of these long-lived assets.



All figures \$M	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Theatrical movies	111,954	118,775	124,386	131,168	141,329	146,028	150,347	151,182	158,416	162,119	168,223	173,246
Long-lived television programs	102,665	109,105	113,850	122,343	132,692	136,348	139,531	140,408	142,851	145,414	153,026	159,593
Books	54,197	56,658	59,790	62,701	65,428	68,368	71,274	73,752	75,761	78,246	80,679	82,621
Music	25,859	26,410	27,203	27,289	27,170	26,580	26,181	25,436	24,951	23,899	23,537	23,217
Other entertainment originals	24,110	24,895	25,596	26,148	26,961	27,503	27,975	27,976	27,505	27,381	27,240	27,166
Total arts and culture capital assets	318,785	335,843	350,825	369,649	393,580	404,827	415,308	418,754	429,484	437,059	452,705	465,843
CPI at 2013 = 100.0	77.2	79.0	81.1	83.8	86.5	89.0	92.4	92.1	93.6	96.6	98.6	100.0
Constant dollar value of long-lived arts and culture assets	412,808	425,206	432,653	440,929	454,804	454,845	449,374	454,714	458,839	452,644	459,350	465,843
Indexed to 2003 = 1.00	0.95	1.00	1.04	1.10	1.17	1.21	1.24	1.25	1.28	1.30	1.35	1.39

## CHAPTER 5. ARTS PARTICIPATION INDICATORS

There are 22 indicators of *Arts Participation* for 2013. The indicators in this dimension represent arts and culture activity in society and in the markets. While Financial Flows indicators in Chapter 2 were all measured in dollars, Arts Participation indicators mainly measure activity and experience in the arts, in the form of personal engagement. Examples include being a part of audiences for public broadcasting, museums, live performances, spending time on cultural experiences, and donating time and money. Here, however, they are tracked mainly in terms of numbers of people.

The individual indicators described in this chapter provide additional detail on the sometimes stable, but mostly declining levels of consumption and participation in arts industries, including goods, services, and experiences in arts and culture. Cumulatively, they result in an Arts Participation score of 101.5 for 2013. Eight indicators grew compared to 2012, nine decreased, and five stayed the same.

The next two tables show the indicators used in the Arts Participation dimension, and the number of indicators that make up the overall Arts Participation score each year. Those scores are shown in Figure F below.

TABLE 6. ARTS PARTICIPATION INDICATORS

33.	Copyright applications
34.	Personal expenditures on arts and culture
35.	Engagement in the arts
36.	New work in theatre, orchestra, opera, Broadway, and film
37.	Books published on music, theatre, dance, or art
38.	Volunteering for arts organizations
39.	Arts work in volunteering
40.	Performance of SAT test takers with four years of art or music
41.	Arts majors by college bound seniors
42.	Visual and performing arts degrees
43.	Non-commercial radio listenership
44.	Public television viewing
45.	Foreign visitor participation in arts and culture activity
46.	Attendance at Broadway shows in New York City
47.	Attendance at touring Broadway shows
48.	Attendance at live popular music
49.	Attendance at symphony, dance, opera, and theatre
51.	Art museum visits
52.	Opera attendance
53.	Symphony attendance
54.	Nonprofit professional theatre attendance

TABLE 7. ARTS PARTICIPATION INDICATORS PER YEAR (INCLUDES “RETIRED” INDICATORS FROM PRIOR YEARS)

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
14	16	22	22	22	22	22	22	22	22	22

Averaged across all available data, they produce the following 12-year trend:

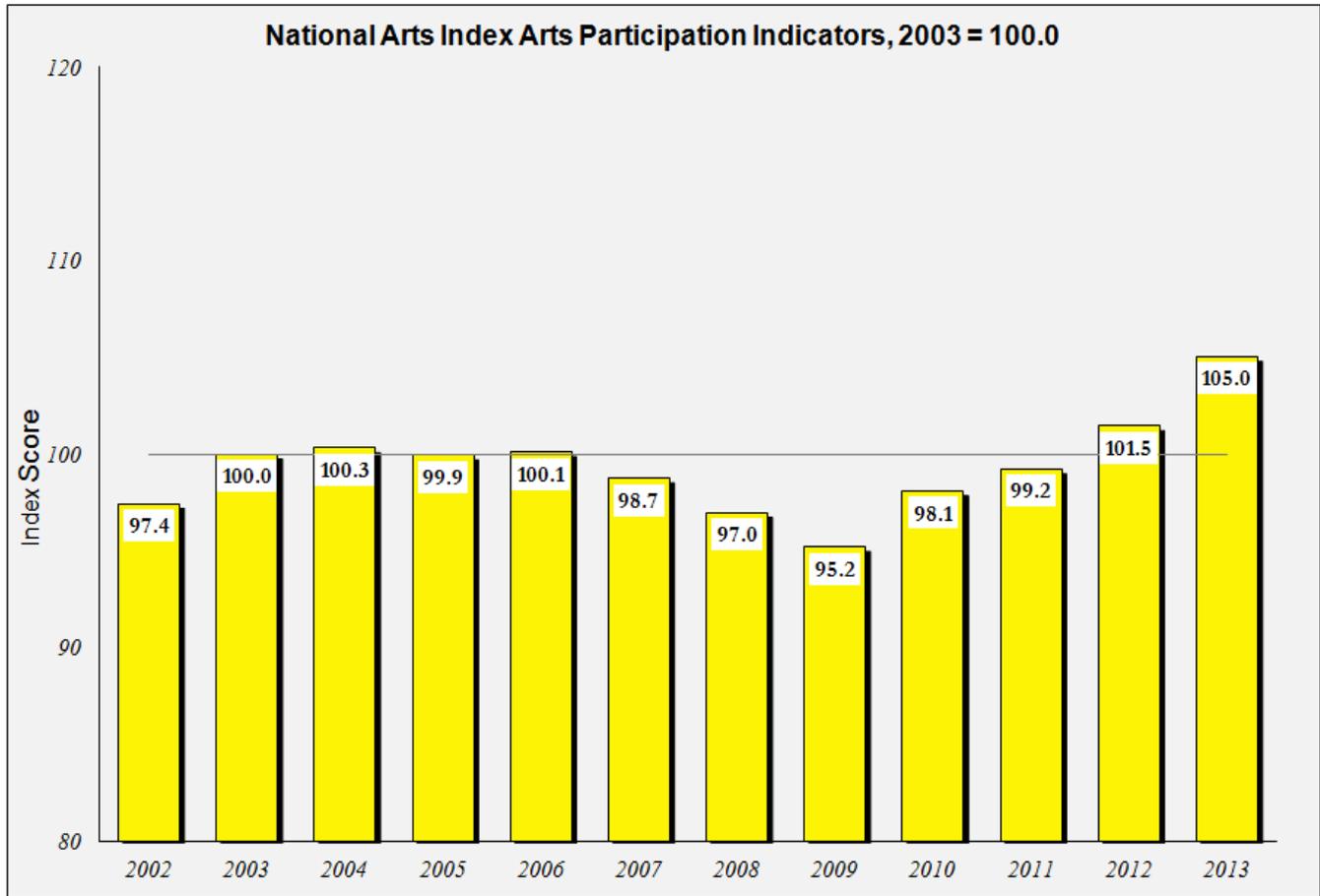


FIGURE F. NATIONAL ARTS INDEX ARTS PARTICIPATION INDICATORS (2003 = 100.0)

The Capacity indicators in Chapter 4 showed a steady increase over most of the decade of the 2000s, followed by a decline and leveling off. An initial look at the Figure F suggests a different pattern for the delivery and consumption of arts services, one of sharp changes up and down. In earlier Index reports, it seemed that the vigor of the arts industries (the supply side) was not matched by a parallel increase in participation and engagement. Capacity expanded, and then leveled off, but for many of those years, demand did not keep pace when measured by the number of people consuming. An on-going upward trend in arts consumption and participation apparently continued into 2013, and is the major driver of the increase in the overall Index score.

22 indicators comprise the Arts Participation measure. From a peak in 2004, demand for many long-standing art forms lagged. There are major shifts in how Americans are consuming the arts, some of which are positive, others more or less stable, but many negative. Since 2007, the participation measures declined in two years and increased in four, eclipsing the level of arts participation seen early on in the decade. In the last four years described by the Index, participation indicators grew vigorously.

Attendance declined for some mainstream nonprofit arts forms (nonprofit professional theatre) while others reversed long-term declines (opera and symphony), according to their national service organizations. Market

data gathered by Scarborough Research (205,000 surveys annually in the largest 81 designated marketing areas) indicates overall slight declines in numbers attending performing arts events (symphony, dance, opera, theater). Attendance at Broadway shows declined in New York City, but grew around the country for Broadway tours. Consumption of American cultural activities by foreign tourists also grew in 2013.

An indicator added in the prior report measures Engagement in the Arts (#35), using data from the federal government's American Time Use Studies. It shows an average of about 2.9 percent of the population engaged in "Arts or Entertainment" every day, spending about 2.8 hours per day.

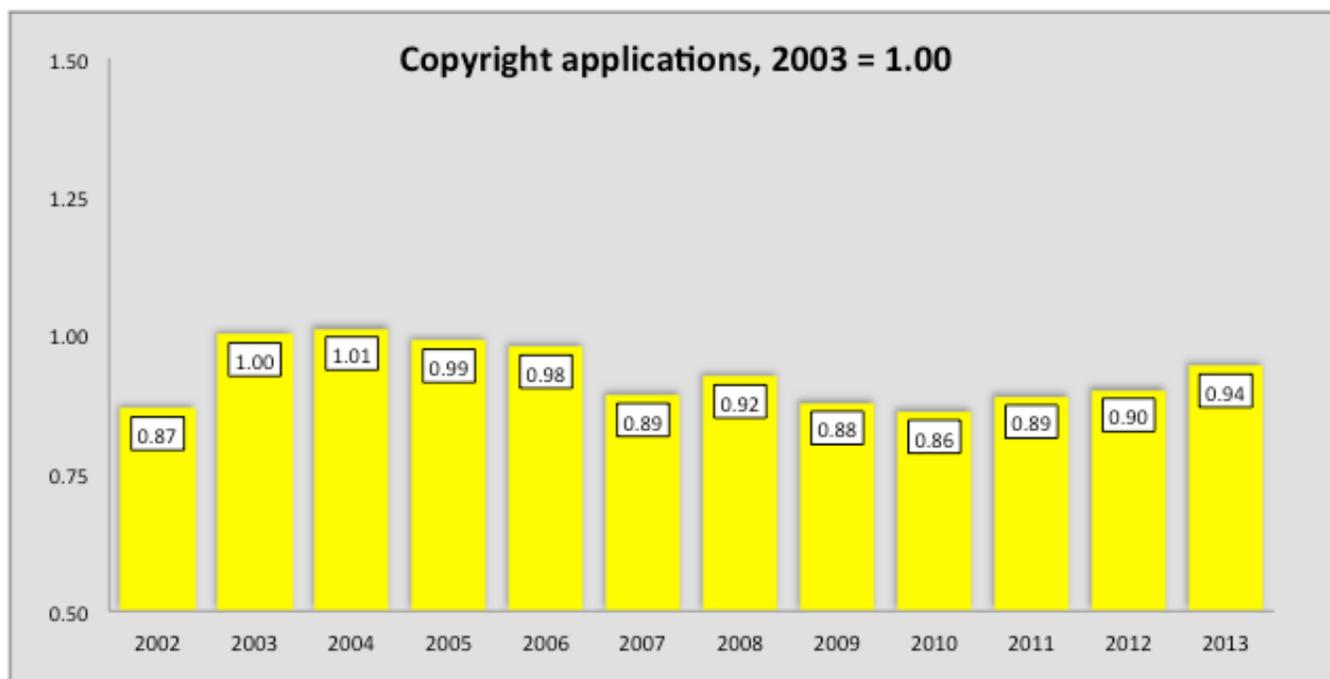
One indicator pulling up overall Arts Participation is the Performance of SAT test takers with four years of art or music over other test takers. That scored unusually high from a combination of high performance by more artistically educated test takers and lower performance by those with less arts education.

The overall increase in Arts Participation in 2013 is another positive finding in this report. In past reports, we were concerned about levels of production and consumption of the arts. We saw that despite the virtues of the arts, the attention they receive, and the increase in arts capacity, demand was not vigorous. Now, considering the 2013 data on Arts Participation, we anticipate further increases in 2014 and beyond.

### 33. COPYRIGHT APPLICATIONS

The copyright system gives the creators or authors of original material a way to register ownership of their creations, which may include literary, dramatic, musical, artistic, and certain other intellectual works. It provides us, therefore, with a measure of creation of new work. Of course, the formal copyright system is inherently only the tip of the iceberg; many more artistic creations are not registered. Still, these protections are meaningful to creators for artistic and/or commercial reasons. The rights of copyright are distribution, duplication, public performance and/or exhibit, and preparation of derivative works. In the common law, copyright exists from the moment a work is created, but registering a work creates a formal and more legally defensible documentation of ownership. Formally, creators of new work (painters, authors, composers, lyricists, playwrights, and others) claim copyright by submitting a copy and an information form to the Copyright Office in the Library of Congress. The Copyright Office then formally registers the claim.

This indicator measures the number of claims to copyright made in each year in the U.S. Claims differ from registration in that they flow in from the creators of artistic work. There is a growing lag, however, between when a copyright claim is submitted and when it is registered, and in recent years there have been an unusually high number of claims in process. Thus, claims submitted by creators of new work represent a better measure of underlying artistic activity. The number of claims declined 14 percent from 2003 through 2010 (607,000 per year down to 523,000), but then rose through 2013 to 573,000.

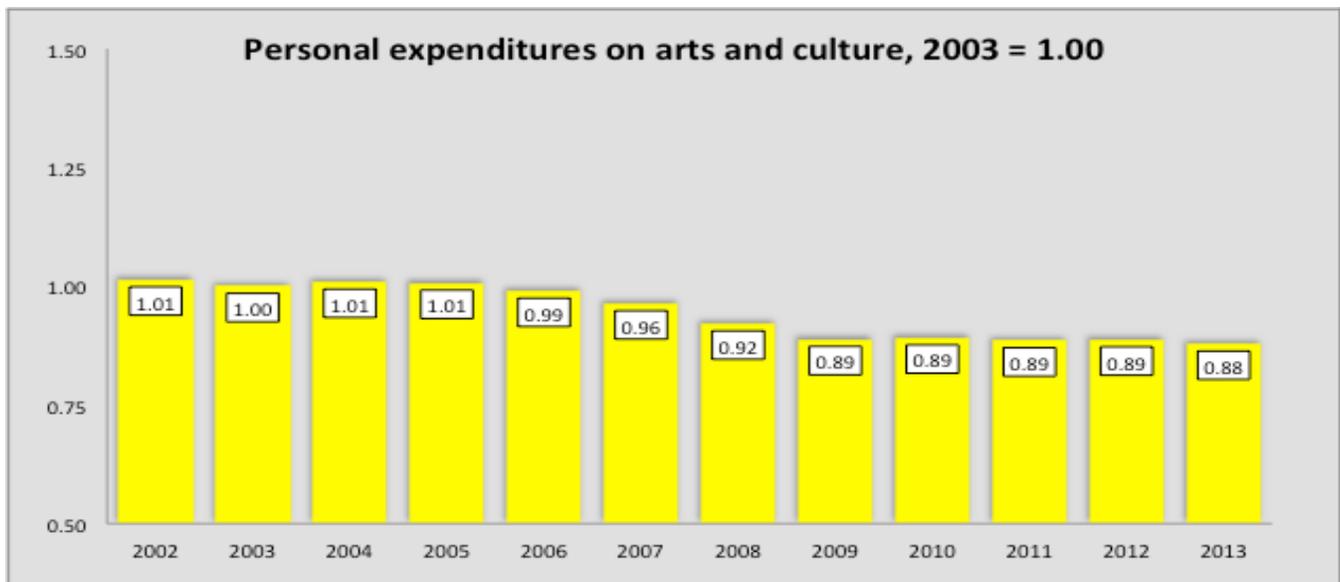


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Copyrights registered	521,041	534,122	661,469	531,720	520,906	526,378	232,907	382,086	636,537	509,912	670,004	496,599
Copyrights claims received	526,138	607,492	614,235	600,535	594,125	541,212	561,428	532,370	522,796	539,332	546,597	573,224
Indexed to 2003 = 1.00	0.87	1.00	1.01	0.99	0.98	0.89	0.92	0.88	0.86	0.89	0.90	0.94

### 34. PERSONAL EXPENDITURES ON ARTS AND CULTURE

The Bureau of Economic Analysis measures total consumer expenditure on arts and culture goods and services in the National Income and Product Accounts. These offer yearly data on personal consumption expenditure on various arts and culture goods, services, and experiences: books, recorded audio and video, live performing arts and movie tickets, as well as new technologies and alternative kinds of spending on the arts.

This indicator measures the total of those expenditures, and is the largest-scale economic indicator in this Index. This is fitting, because it is personal expenditure that is motivated and produced by underlying demand for arts and culture. Over time, arts and culture spending has failed to keep up with inflation, and constant dollar expenditure declined through 2009, leveling off through 2013 to about \$152 billion. In recent benchmarking, BEA changed the names and emphases of some accounts, requiring adjustment in the expenditure categories tracked in the Index. This revision affected the 2014 Arts Index report and this one. The adjustment resulted in total arts and culture personal spending being reported about four percent lower for past years than in prior NAI reports. However, the Index score relative to 2003=1.0 has maintained the same pattern of growth and decline.

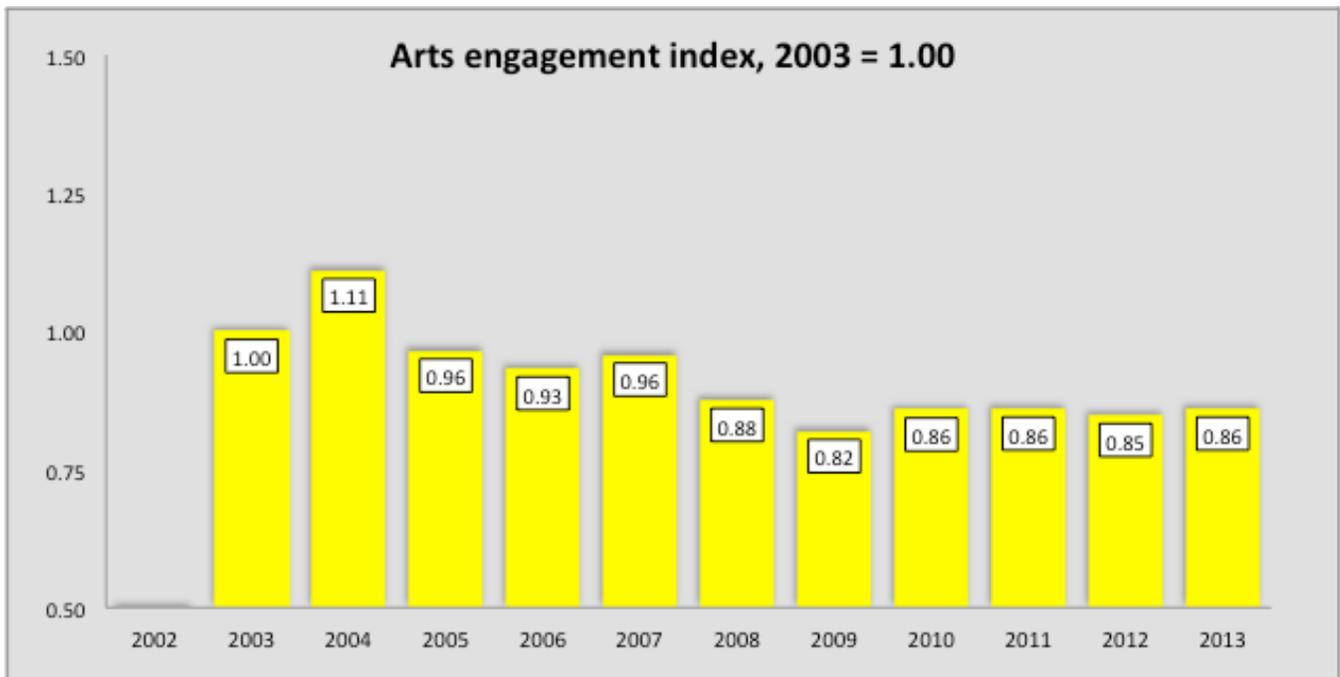


All figures in \$M	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Audio equipment	18,573	18,201	19,527	22,010	22,425	21,108	20,416	18,179	18,594	19,075	19,628	<b>20,067</b>
Educational books	9,702	9,854	9,877	9,774	9,666	9,422	9,451	9,192	9,429	9,393	9,668	<b>10,059</b>
Live entertainment, excluding sports	11,880	13,854	15,903	18,253	20,735	23,647	24,338	25,198	26,305	28,221	29,401	<b>26,657</b>
Motion picture theaters	9,597	9,907	9,950	9,741	10,371	10,885	10,957	11,497	11,766	11,439	11,682	<b>11,394</b>
Museums and libraries	4,787	5,199	5,581	6,357	6,476	6,153	6,222	6,068	6,129	6,333	6,093	<b>6,260</b>
Musical instruments	5,180	5,063	5,326	5,318	5,521	5,391	5,134	4,572	4,578	4,667	5,141	<b>5,204</b>
Photo processing	5,946	5,691	5,146	4,007	2,981	2,878	2,648	2,468	2,480	2,818	2,662	<b>2,622</b>
Photo studios	6,546	6,616	6,718	6,869	6,947	7,284	7,361	6,964	6,939	6,950	6,722	<b>6,686</b>
Photographic equipment	3,641	3,866	4,171	4,382	4,597	4,878	4,708	4,232	4,325	4,427	4,500	<b>4,436</b>
Prerecorded/blank audio discs/ tapes/digital files/downloads	19,007	17,270	16,726	16,025	14,991	13,943	13,875	13,362	13,877	14,692	15,367	<b>16,454</b>
Recreational books	25,902	26,514	26,868	26,976	27,164	27,078	27,164	26,424	27,116	27,026	27,827	<b>28,960</b>
Repair of audio-visual, photographic, and info processing equipment	14,432	14,368	15,497	16,058	16,063	15,417	14,721	13,120	12,575	12,606	12,345	<b>12,915</b>
Video cassettes and discs, blank and prerecorded	7,919	8,500	8,959	7,994	8,266	8,449	7,721	6,718	5,985	5,046	4,657	<b>4,464</b>
Total personal spending on selected goods	135,193	136,403	141,290	145,770	147,937	148,084	146,995	141,276	144,113	147,647	151,036	<b>151,714</b>
CPI at 2013 = 100.0	77.2	79.0	81.1	83.8	86.5	89.0	92.4	92.1	93.6	96.6	98.6	100.0
Constant dollar spending on selected goods	161,796	159,606	161,036	160,698	157,990	153,768	146,995	141,778	142,292	141,320	141,635	<b>151,714</b>
Indexed to 2003 = 1.00	0.99	1.01	1.00	1.01	1.01	0.99	0.96	0.92	0.89	0.89	0.89	<b>0.89</b>

### 35. ENGAGEMENT IN THE ARTS

Advocates for the arts and researchers in the field are often concerned about “engagement,” the extent to which audiences are willing participants in arts activity. The American Time Use Survey (ATUS) is a program of the Bureau of Labor Statistics that measures the amount of time people spend doing various activities, such as paid work, childcare, volunteering, and socializing. In doing so, it provides evidence of two different aspects of how the population is engaged in the arts: the share of people who actually have some arts in their everyday lives, and the level of their participation measured in time use.

This indicator uses data from the ATUS to evaluate both approaches to overall engagement in the arts by the American public. From 2003 to 2013, an average of 3.3 percent of Americans spent at least some time engaged in the activity. Those who did spent an average of 2.6 hours per day engaged in the arts over those years. Generally, the percentage of people engaged in the activity declined over those years, while daily engagement remained generally steady. The interplay between the percentage of people engaged in the arts, and the depth of their engagement (via their personal time commitment) can be seen by multiplying them together. The resulting figure is an index of what might be called total arts engagement (fraction of the day by fraction of the population) devoted to the arts. While small (less than half a percent overall), it has been steady since the Great Recession.



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Average percent engaged in the activity per day		3.8	4.2	3.5	3.6	3.5	3.2	3.1	3	2.9	3.1	2.9
Average hours per day for people who engaged in the activity		2.53	2.54	2.65	2.49	2.63	2.63	2.54	2.75	2.85	2.63	2.85
Percent of hours per day for people engaged in the activity		10.54	10.58	11.04	10.38	10.96	10.96	10.58	11.46	11.88	10.96	11.88
Engagement index (percent engaged x percent of hours)		0.401%	0.445%	0.386%	0.374%	0.384%	0.351%	0.328%	0.344%	0.344%	0.340%	0.344%
Indexed to 2003 = 1.00	N/D	1.00	1.11	0.96	0.93	0.96	0.88	0.82	0.86	0.86	0.85	0.86

### 36. NEW WORK IN THEATRE, ORCHESTRA, OPERA, BROADWAY, AND FILM

The creation of new artistic work is critical to a successful arts ecology. This report provides ample evidence of individual artistic creativity in musical composition, solo careers in the arts, and copyright claims. Some new art is not individual, but needs to be adopted by organizations to reach its potential. Thus, the major performing arts disciplines are exciting settings for presenting new work. Data on premieres by American theatre companies, symphony orchestras, operas, Broadway producers, and filmmakers are available from their national service organizations: Theatre Communications Group, League of American Orchestras, Opera America, Broadway League, and Motion Picture Association of America. These service organizations do valuable work gathering information on their members' activities and summarizing that information for the public.

This indicator measures the number of world premieres and new films presented reported by members of these associations. These numbers are almost certainly understated for two reasons. First, these associations' memberships are usually only a share (sometimes a majority) of all of that kind of arts organization, and not all association members typically report their activity in annual surveys. There is often a lag between the concept for a new work and its actual premiere, as works take time to create, and performing arts seasons and films are planned years in advance. Thus, the increases probably reflect an optimism and willingness to invest from prior years. Between 2005 and 2013, there was a 29 percent increase in the number of new opera, theater, film, and symphony works. Since 2006, audiences have been treated to more than 1,000 new works annually.

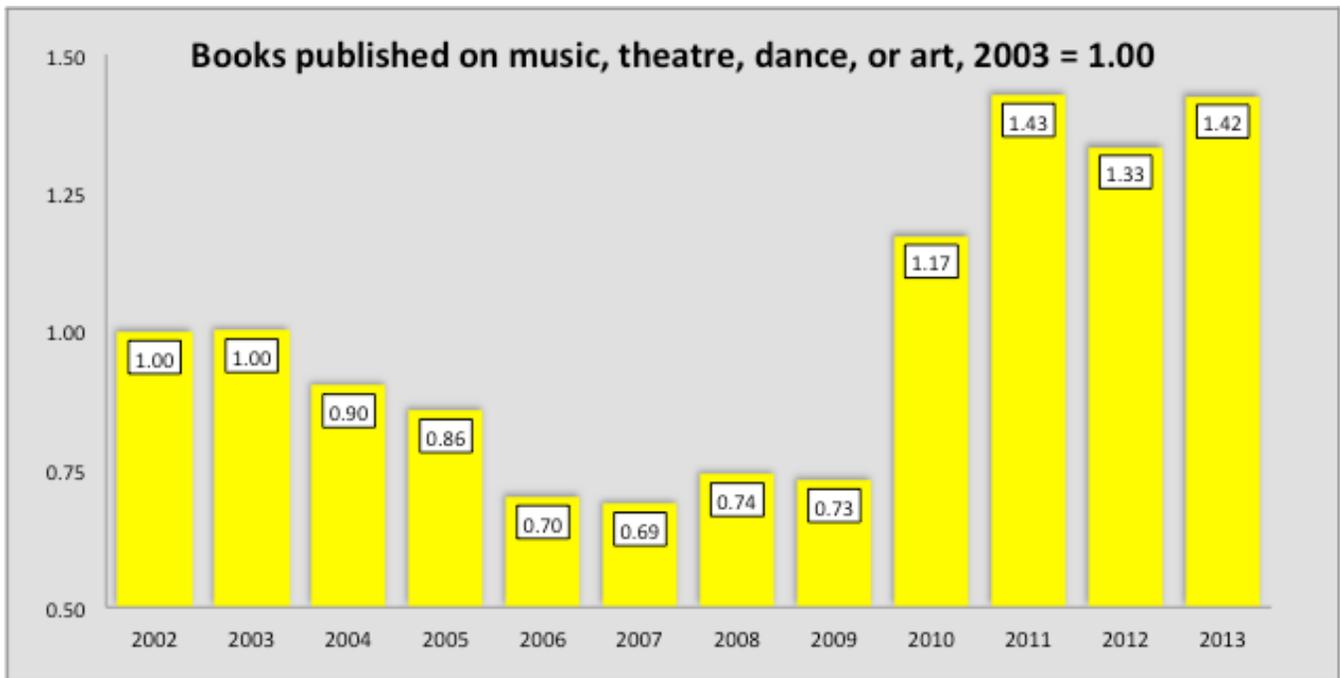


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
World premieres performed by American opera companies		8	13	9	8	10	19	24	20	10	18	20
New productions on Broadway		36	33	39	39	35	36	43	39	42	41	46
World premieres performed by American orchestras		104	109	79	111	124	139	150	173	124	215	118
World premieres performed by American theatres		348	288	262	278	240	261	247	242	261	317	310
Movies released		528	549	507	594	611	638	557	563	603	677	659
Total new work in opera, Broadway, symphony, and theatre		1,024	992	896	1,030	1,020	1,093	1,021	1,037	1,040	1,268	1,153
Indexed to 2003 = 1.00	N/D	1.00	0.97	0.88	1.01	1.00	1.07	1.00	1.01	1.02	1.24	1.13

### 37. BOOKS PUBLISHED ON MUSIC, THEATRE, DANCE, OR ART

The “Books in Print” directory is highly regarded by librarians and bookstore buyers as a definitive source of data about book publication and the availability of both in-print and out-of-print books. Published annually by R.R. Bowker LLC, its printed and online versions are widely available. Bowker is also the official U.S. agency for the International Standard Book Numbering (ISBN) system. Bowker classifies its books by subjects, and it is possible to search through the directory using subject key words.

This indicator shows the number of books published annually that are coded with the terms “music,” “theatre,” “dance,” or “art.” The total number of books published in all subjects increased since 2006, as Bowker issued ISBNs to more self-published, internet-published, and print-on-demand books—a change that prompted big jumps starting in 2010. This is a reflection of the new ways in which demand for the arts is being met. The increase in this indicator because of print-on-demand is relevant, as a book order is evidence of demand, not of over-supply. In 2013, about 13,900 books on these subjects were published.

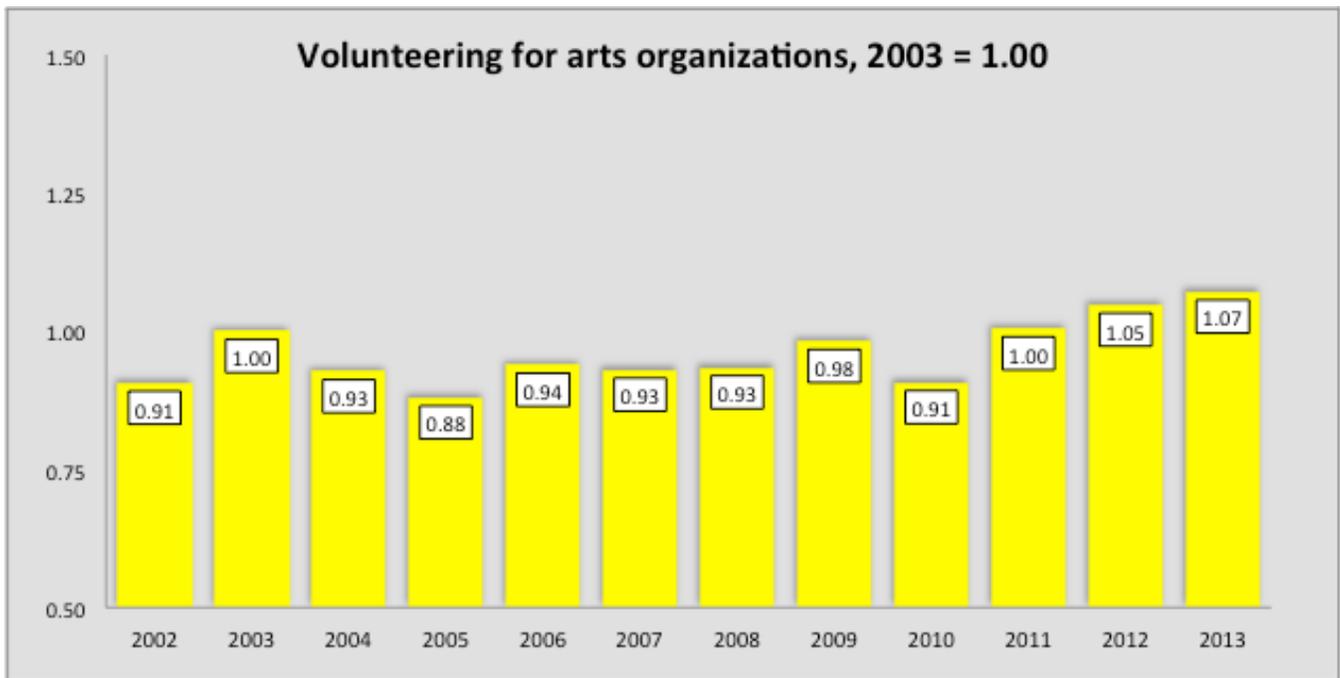


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Books published on music, theatre, dance, or art	9,703	9,729	8,759	8,319	6,802	6,678	7,196	7,092	11,390	13,875	12,962	13,853
Indexed to 2003 = 1.00	1.00	1.00	0.90	0.86	0.70	0.69	0.74	0.73	1.17	1.43	1.33	1.42

### 38. VOLUNTEERING FOR THE ARTS

Nonprofit arts organizations staff their programs by using paid staff and/or unpaid volunteers. Voluntarism is critical to the arts. Some arts organizations, like choruses and community theatre, rely solely on volunteers. Others, like urban symphonies, may more likely be staffed with professionals and augmented with volunteers who are active as board members, performers, customer service, and administrative roles throughout the arts. The Census Bureau’s annual Current Population Survey (CPS) gathers data on Americans’ volunteer activity, including the organizations where they volunteer.

This indicator measures the number of people identifying arts and culture organizations as their first, second, or third choice of where to volunteer. Overall, arts ranked low from 2003 to 2011, behind religion, youth sports, social and community groups, health, and education, among other types. The number of arts volunteers reported in the CPS stayed between 1.8 million and 2.0 million through 2010, but grew in later years. It is noteworthy that the largest increase was in people making the arts their first choice of volunteerism (1.3 million in 2013). Recent figures show a steady or growing level of participation in volunteering in the arts, even while total volunteering has declined somewhat. See also indicator #39, which presents another view of volunteer work in the arts.

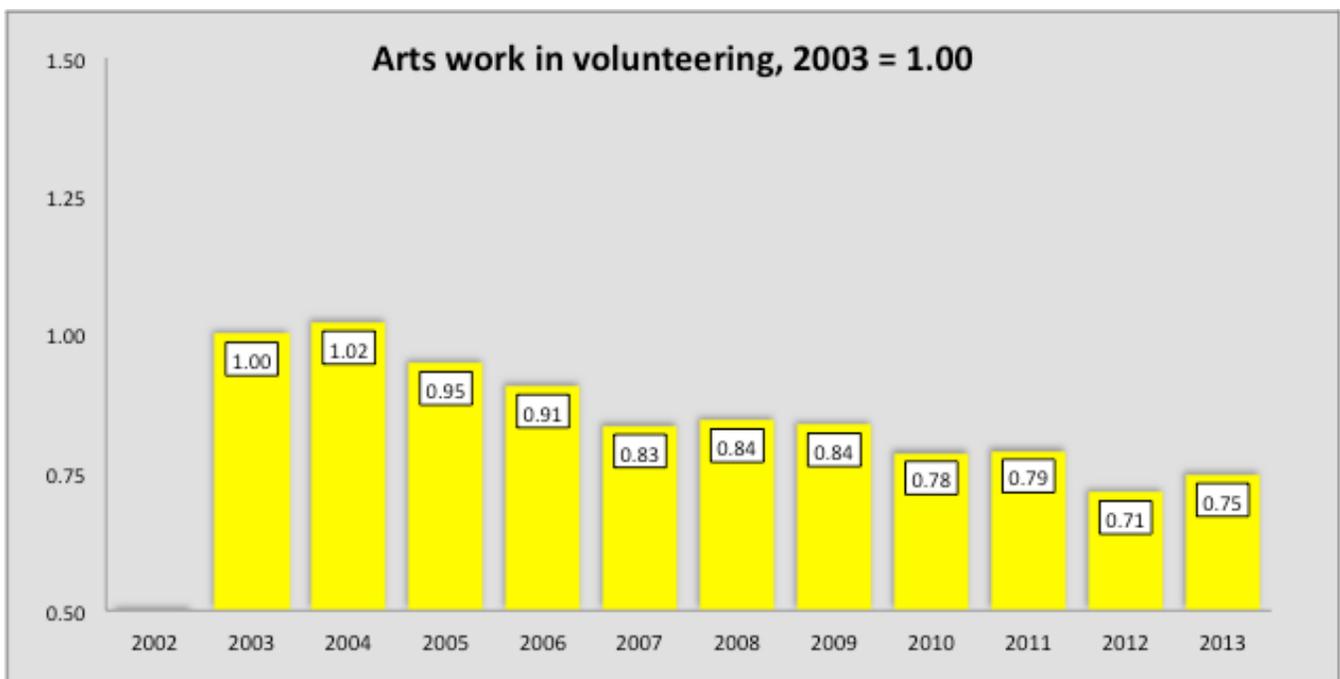


All figures 000	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Volunteering for arts organizations (1st)	1,092.6	1,205.6	1,029.5	1,037.3	1,166.5	1,084.9	1,082.4	1,123.6	1,118.1	1,218.2	1,250.2	1,292.9
Volunteering for arts organizations (2nd)	476.7	568.6	595.1	517.7	480.2	503.3	552.1	611.3	473.1	589.8	630.0	633.2
Volunteering for arts organizations (3rd)	249.9	232.5	236.2	210.7	237.4	278.4	241.0	235.6	229.9	208.3	222.3	223.8
Volunteering for arts orgs (1st, 2nd, or 3rd)	1,819.2	2,006.7	1,860.8	1,765.8	1,884.2	1,866.6	1,875.4	1,970.4	1,821.1	2,016.3	2,102.5	2,150.0
Indexed to 2003 = 1.00	0.91	1.00	0.93	0.88	0.94	0.93	0.93	0.98	0.91	1.00	1.05	1.07

### 39. ARTS WORK IN VOLUNTEERING

As with other indicators of the arts labor market in this report, there is a distinction between arts work and an arts workplace, even in volunteer work. Indicator #38 addressed the issue of the *types* of organizations where people go to volunteer. But not all work in arts organization is arts work, and volunteers may take part in artistic activity in non-arts organizations. Some examples are choral singing in places of worship, arts in recreation, or arts education as part of human service and health care. Correspondingly, some volunteers in arts organizations do administrative or service work (office helpers and ticket takers) rather than being mainly creative in their work. That is, it is not only *where* you volunteer, but *what do you do* while you are there. The Census Bureau Current Population Survey gathers data on the work that volunteers perform.

This indicator measures the number of people who list arts work as part of their volunteer activity as a fraction of all volunteering. In 2013, an estimated 5.7 million volunteers said that they serve mainly as artists—a figure much larger than the number of people whose first choices of volunteer organization is in the arts sector (1.3 million). This number has declined sharply since 2003, when almost 8 million people indicated arts work as their main volunteer activity, compared with 64 million volunteers overall. Still, the 2013 figure represents an increase over 2012, a period in which overall volunteering dropped slightly, but arts volunteering increased.

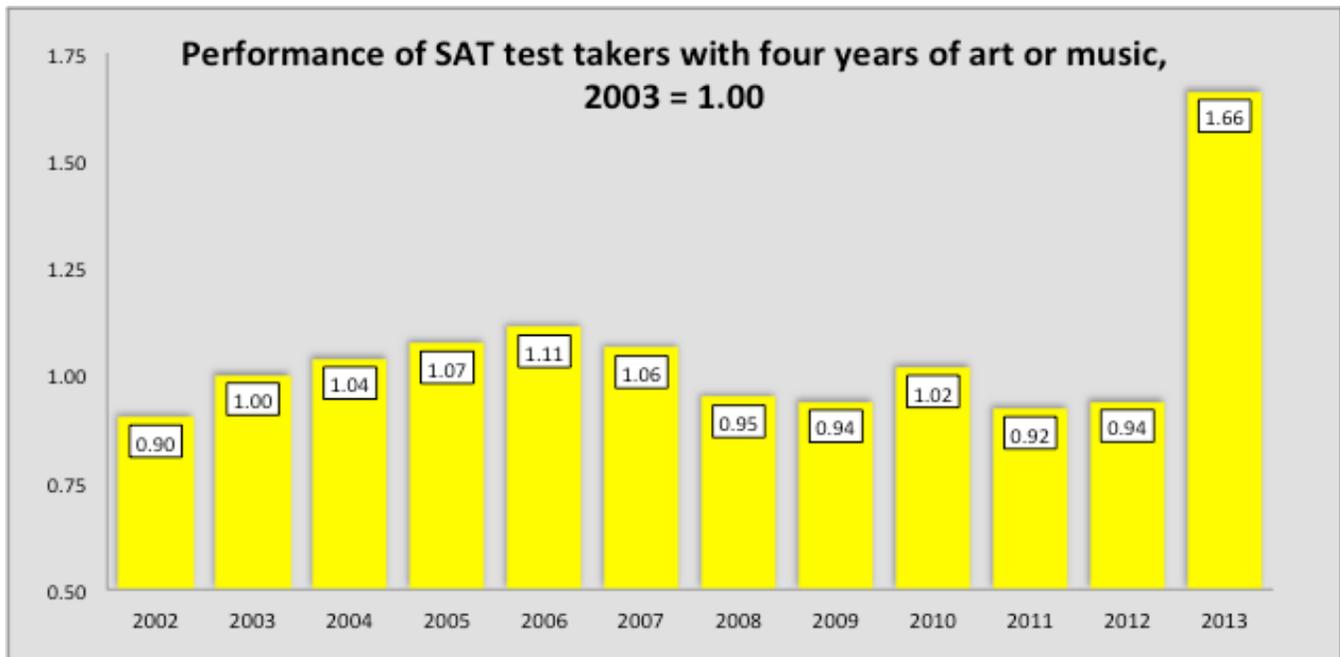


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Main activity in volunteering is making music or other arts (000)		7,962.3	8,221.2	7,719.6	7,254.7	6,297.9	6,465.8	6,568.1	6,079.8	6,247.0	5,679.0	5,738.0
All volunteers (000)		63,931.1	64,671.2	65,453.8	64,316.9	60,658.1	61,553.5	63,110.1	62,187.9	63,611.5	63,914.7	61,819.4
Arts volunteering as share of all arts activity		12.50%	12.70%	11.80%	11.30%	10.40%	10.50%	10.40%	9.80%	9.80%	8.89%	9.28%
Indexed to 2003 = 1.00	N/D	1.00	1.02	0.95	0.91	0.83	0.84	0.84	0.78	0.79	0.71	0.75

## 40. PERFORMANCE OF SAT TEST-TAKERS WITH 4 YEARS OF ART OR MUSIC

Arts education is generally associated with higher scores on student achievement tests. One way to evaluate this is to compare standardized testing scores such as the SAT Reasoning Test from the College Board. SAT scores are mainly used by college admissions officers as a factor in college admission decisions. The Board publishes SAT scores of college-bound seniors that illustrate the impact of studying the arts in school.

This indicator is the percentage difference in SAT scores between students with four years of art or music courses and the scores of all other test takers. It is calculated by taking the total of critical reading and math scores, subtracting the minimum score of 400 that is reached by every test taker, and calculating the percent difference between those with four years of arts courses vs. all other test takers. This adjusted margin rose steadily from 2001 through 2006, and then mainly declined since 2007. These results and trends should be interpreted carefully, and they do not imply that taking arts courses is the cause for this difference. SAT scores typically predict about nine percent of the variation in first year college GPA. High school students with multiple years of arts education are not characteristic of all college-bound seniors. Other factors influencing test scores include the type of school, student socioeconomic status, IQ, and high school coursework. Without information on within- or between-group variation, it is not possible to draw any inferences about the statistical significance of these margins. This margin never fell below eight percent, and stayed above nine percent for several years. Compared to 2012, the scores of students with less arts exposure fell by 2.4 percent, and the scores of students with arts grew by 4.1 percent, a combination producing a big increase in the performance margin for 2013.

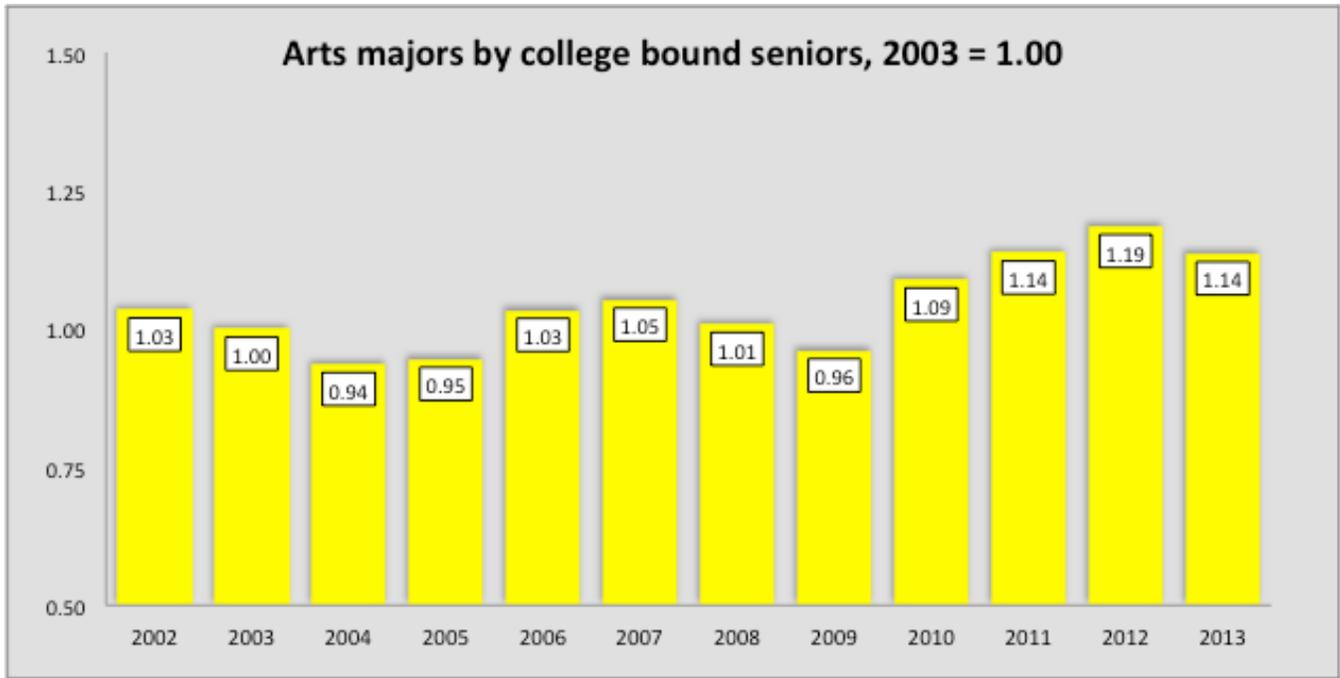


Mean score of SAT 1 test takers with four years art and/or music	1,070	1,075	1,074	1,084	1,083	1,080	1,063	1,070	1,075	1,057	1,035	1061
Mean score of all other SAT 1 test takers	1,014	1,013	1,010	1,017	1,014	1,014	1,005	1,012	1,012	1,001	980	966
Mean score of SAT 1 test takers with four years art and/or music less minimum score	670	675	674	684	683	680	663	670	675	601	635	661
Mean score of all other SAT 1 test takers less minimum score	614	613	610	617	614	614	605	612	612	601	580	566
Performance margin for four years	9.10%	10.10%	10.50%	10.90%	11.20%	10.70%	9.60%	9.50%	10.30%	9.30%	9.50%	16.80%
Indexed to 2003 = 1.00	0.9	1	1.04	1.07	1.11	1.06	0.95	0.94	1.02	0.92	0.94	1.66

## 41. ARTS MAJORS BY COLLEGE-BOUND SENIORS

High school students taking the SAT are asked to indicate a major that they may pursue. Certainly many students in all prospective majors change their path to pursue new majors, so their responses are not the sole indicator of students' final educational plans. Still, they do point to later graduation and career expectations and inform colleges and universities about trends in demand for particular programs. While some students leave arts majors, others change into and add majors and minors in the arts disciplines.

This indicator measures the share of college-bound seniors taking the SAT reasoning tests who declare an initial interest in a major in the performing or visual arts. The number of such students rose from about 80,000 in 2001 to 105,000 in 2012, then dropped to about 99,000 for 2013, with the share staying just under eight percent. There is evidence showing that undergraduate students migrate into arts majors during their college careers; the number of bachelor's degrees in the arts is higher every year than the number of intended majors in the arts SAT test-takers four years prior (see indicator #42).

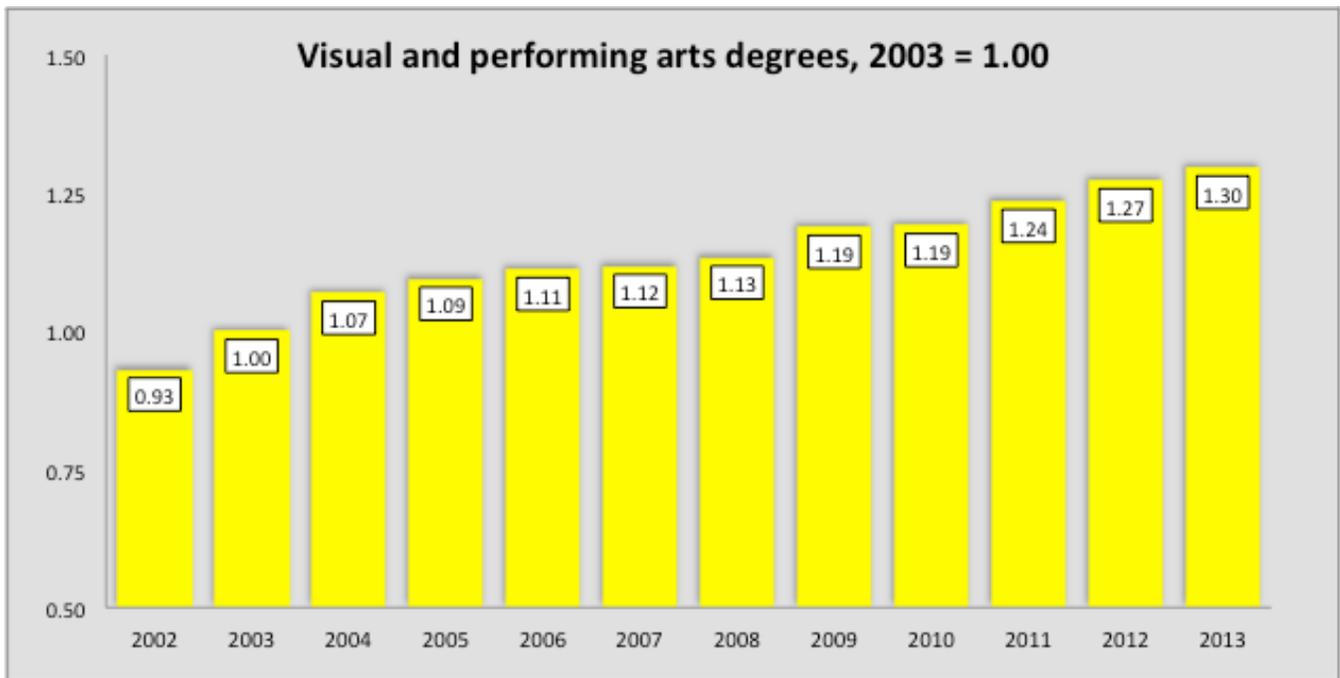


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
SAT test takers declaring a visual or performing arts major	79,865	75,823	76,172	84,367	84,828	88,575	81,784	84,946	97,709	105,073	104,897	98,725
All SAT test takers (000)	1,425.9	1,504.8	1,519.9	1,576.0	1,465.7	1,494.5	1,518.9	1,530.1	1,647.1	1,647.1	1,664.5	1,660.0
Nonrespondents to Student Descriptive Questionnaire (000)	321.6	420.0	355.7	299.2	292.1	290.8	358.8	265.4	264.3	325.8	398.7	417.0
All test takers declaring a major (000)	1,104	1,085	1,164	1,277	1,174	1,204	1,160	1,265	1,284	1,321	1,266	1,243
Visual and performing arts share of intended majors by SAT test takers	7.2%	7.0%	6.5%	6.6%	7.2%	7.4%	7.1%	6.7%	7.6%	8.0%	8.29%	7.94%
Indexed to 2003 = 1.00	1.03	1.00	0.94	0.95	1.03	1.05	1.01	0.96	1.09	1.14	1.19	1.14

## 42. VISUAL AND PERFORMING ARTS DEGREES

Educated artists make long-lasting contributions to artistic creation and activity. They sustain quality, technique, and artistic traditions. In fact, the Bureau of Labor Statistics includes artists in the Professional Workers category, which includes professions that generally require college training. The personal investment in an associates, baccalaureate, masters, or doctorate in the arts is not just a signal of an individual’s personal interest and accomplishment—it also holds the promise for future artistic creation. Growing demand for arts training is self-sustaining, too, as some trained artists themselves become educators, and as graduates at one level continue on to further study. The National Center for Educational Statistics in the U.S. Department of Education tracks degrees with the Classification of Instructional Programs, an exhaustive list of postsecondary instructional programs and majors.

This indicator measures the total number of associates, bachelors, masters, and doctoral degrees in the visual and performing arts. From 2002 to 2013, a total of 1.47 million degrees were awarded in visual and performing arts, with annual graduations growing steadily from 100,000 to 140,000—an increase of 40 percent. Reasons for this may include an increase in design degrees and more double-majors, such as science and arts, or business and arts. This is promising news for business leaders looking for an educated and creative workforce.

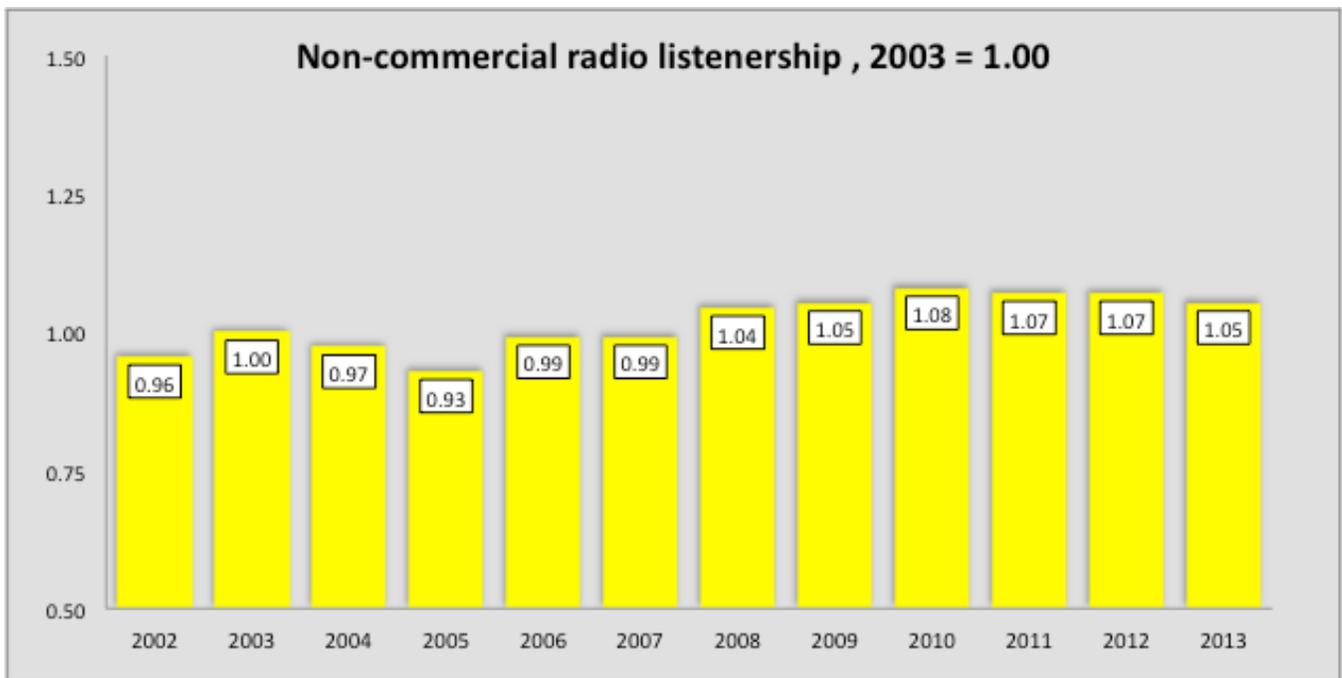


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Visual and performing arts associates degree	20,911	23,120	23,949	22,650	21,754	20,244	18,890	18,629	19,703	21,379	22,431	22,306
Visual and performing arts bachelor's degree	66,773	71,482	77,181	80,955	83,297	85,186	87,703	93,009	91,802	93,956	95,797	97,796
Visual and performing arts master's degree	11,595	11,982	12,906	13,183	13,530	13,767	14,164	14,986	15,552	16,277	17,331	17,869
Visual and performing arts doctoral degree	1,114	1,293	1,282	1,278	1,383	1,364	1,453	919	1,599	1,646	1,728	1,814
All visual and performing arts degrees	100,393	107,877	115,318	118,066	119,964	120,561	122,210	127,557	128,656	133,258	137,287	139,785
Indexed to 2003 = 1.00	0.93	1.00	1.07	1.09	1.11	1.12	1.13	1.18	1.19	1.24	1.27	1.30

### 43. NON-COMMERCIAL RADIO LISTENERSHIP

Public broadcasting, both radio and television, has long been regarded as one of the principal means of transmitting culture. Public radio incorporates a wide range of radio station types, from the well-known National Public Radio stations to more community- or campus-based stations.

This indicator measures the share of the U.S. population age 12 and older that listened to non-commercial radio supported by the Corporation for Public Broadcasting at least once during the year. The measure is calculated by Radio Research Consortium (RRC) for industry Arbitron ratings. These figures were reported by RRC through 2008, and since then in Arbitron’s “Public Radio Today” reports. Overall, public radio listenership has stayed stable relative to other kinds of arts consumption that have been more volatile. Public radio, in all its forms, attracted 11.3 percent of adults as listeners in 2003. This increased to 12.2 in 2010, and then declined through 2013 to 11.9 percent. Because the population has been growing, this represents a progressively larger listenership.

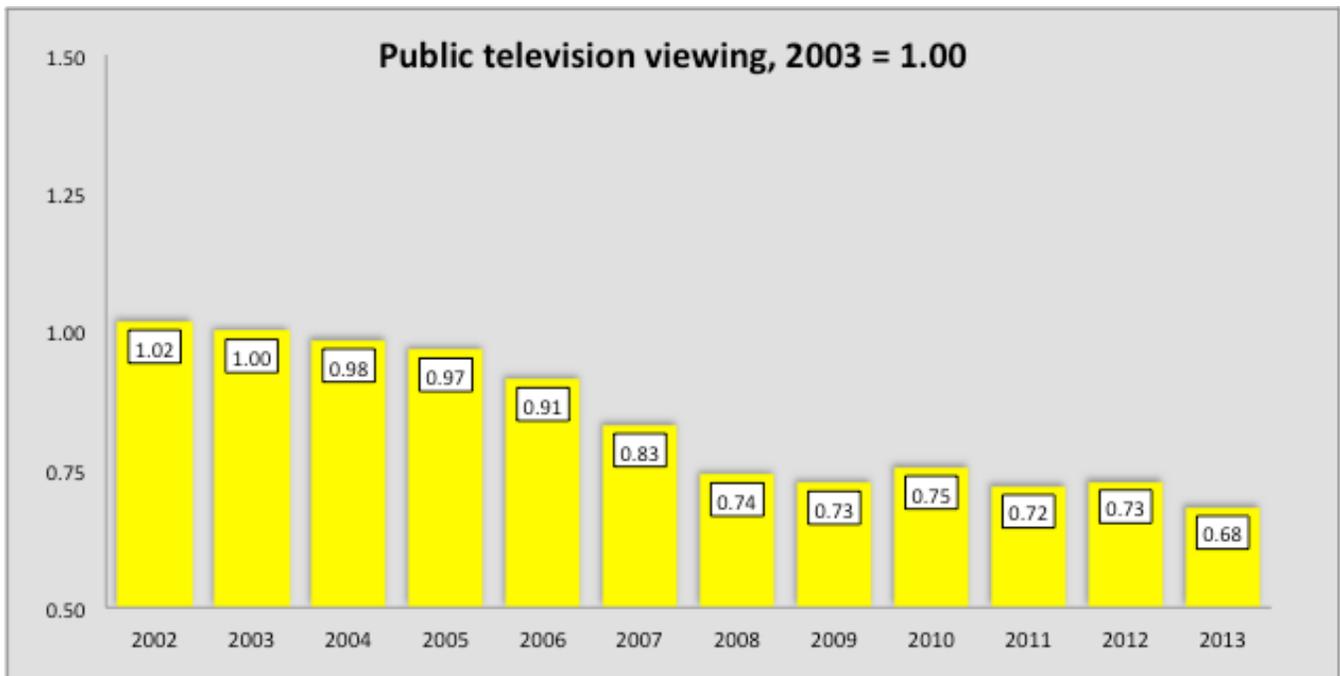


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Share of U.S. Population listening to non-commercial radio	10.8	11.3	11.0	10.5	11.2	11.2	11.8	11.9	12.2	12.1	12.1	11.9
Indexed to 2003 = 1.00	0.96	1.00	0.97	0.93	0.99	0.99	1.04	1.05	1.08	1.07	1.07	1.05

#### 44. PUBLIC TELEVISION VIEWING

While public radio is fragmented among different kinds of stations, public television broadcasting is primarily in the domain of affiliates of the Public Broadcasting System (PBS). The national programming of PBS in educational, cultural, news, and scientific content is broadcast in full or in part over a network of 356 TV stations. While there are other noncommercial and cable access TV stations, PBS is recognized as an especially significant contributor to arts and culture.

This indicator measures the so-called “household cume,” the percentage of homes that tune to a particular station for six minutes or more during a measurement time period. These data were provided by PBS from the Nielsen Television Index. They measure average public television cumulative households viewing (24 hours/7 days) using the average of one week per month in September and October each year. The percentage of households that view public television has declined fairly steadily from 51 percent to 34 percent. It is likely that some of the decline is attributable to shifts in viewing from broadcast networks and towards cable, satellite, and internet transmission as well changes in data collection by Nielsen during the change to digital TV broadcasting. Broadcasters relied on viewer diaries for many years, but are now using meters to measure TV viewing behavior. As for public radio (see indicator #43), listenership has leveled off in recent years.

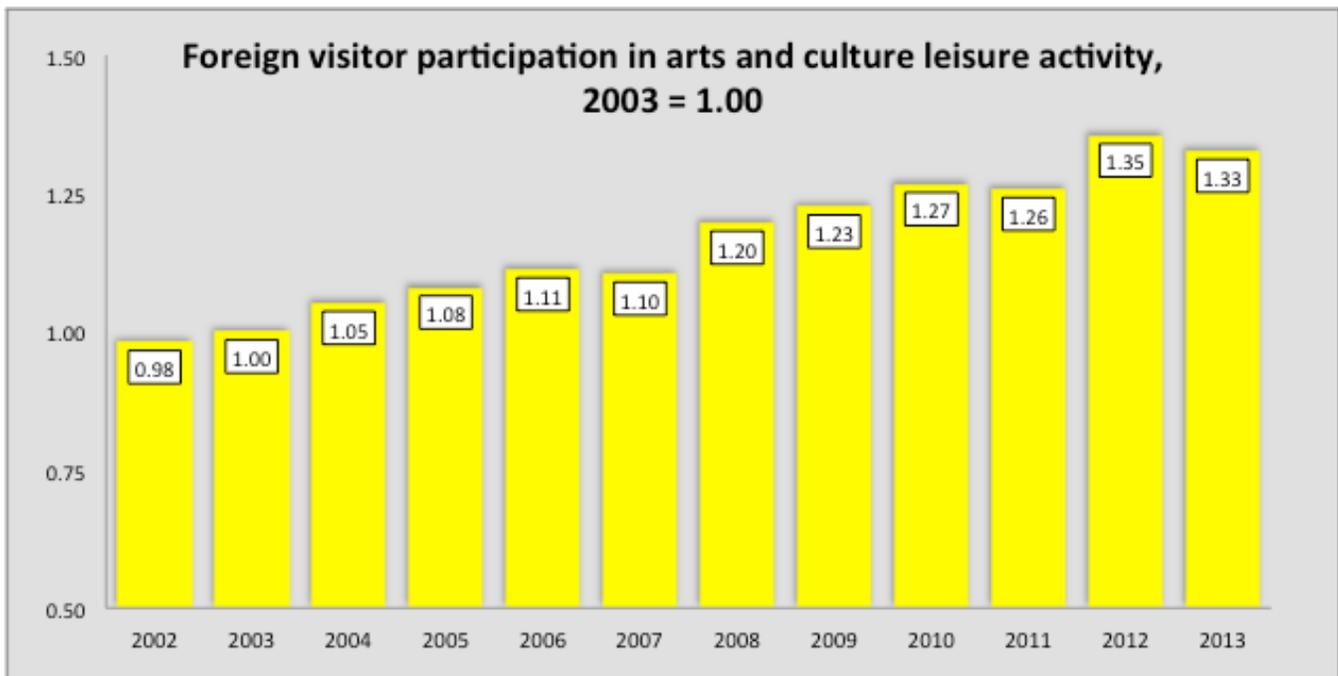


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Household “Cume”	47.8	47.0	46.2	45.4	42.9	39.0	34.8	34.1	35.4	33.8	34.2	32.0
Indexed to 2003 = 1.00	1.02	1.00	0.98	0.97	0.91	0.83	0.74	0.73	0.75	0.72	0.73	0.68

## 45. FOREIGN VISITOR PARTICIPATION IN ARTS AND CULTURE ACTIVITIES

Cultural tourism by foreign visitors is a form of export by domestic arts and culture industries. Just like Americans who travel abroad, foreign tourists in the U.S. also participate in the American arts and culture sectors as audience members at arts events and visitors to cultural attractions.

This indicator measures the participation in six arts and culture activities by tourists who fly to the U.S. The data are collected by the International Trade Administration (ITA) in the Department of Commerce. The ITA's monthly Survey of International Air Passengers is conducted on a voluntary basis on out-bound flights from the U.S. The survey lists 29 leisure activities, of which six are most closely related to arts and culture: Art Gallery/Museum, Concert/Play/Musical, Cultural Heritage Sites, Ethnic Heritage Sites, Visit American Indian Community, and Visit Historical Places. The percentages of people attending each of the six are added up to create this overall participation indicator. Survey sample sizes have exceeded 21,000 since 2002, and were over 39,000 in 2013 using the ITA's updated methodology. The indicator showed fairly steady growth from 2002 through 2012, with a drop in 2013.

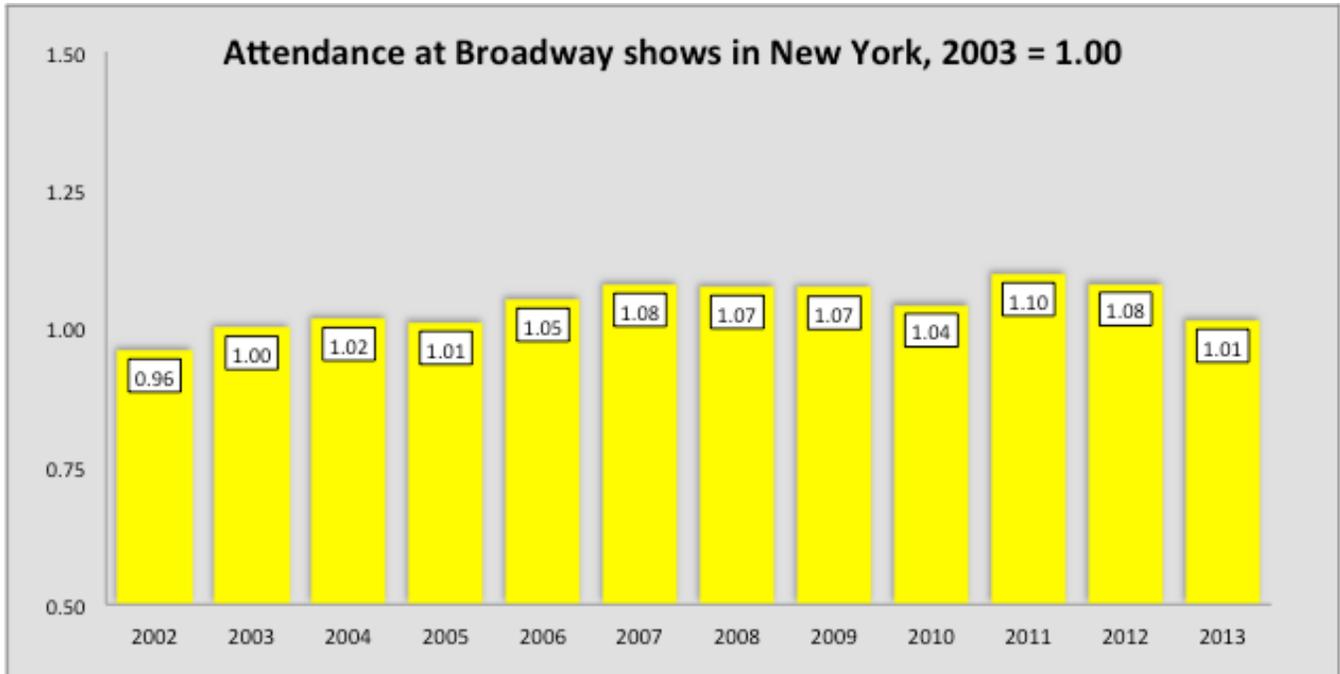


(Percent attending)	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Art Gallery/Museum	18.1	17.7	18.9	20.2	20.4	21.1	22.3	23.5	24.1	23.5	28.4	27.9
Concert/Play/Musical	12.9	13.7	13.4	14.7	14.5	15.3	16.3	16.8	17.1	16.6	18.4	17.1
Cultural Heritage Sites	17.7	18.1	19.4	18.5	19.9	19.5	22.2	22.7	23.7	24.1	25.2	25.0
Ethnic Heritage Sites	4.6	4.9	4.8	4.5	5.2	4.1	4.3	4.2	4.4	4.4	4.1	4.1
Visit Am. Indian Comm.	3	3.1	3.7	3.3	3.2	2.9	3.4	3.2	3.6	3.5	4.8	4.8
Visit Historical Places	30.9	31.4	33.3	34.8	35.7	35.3	37.9	38.6	39.7	39.7	39.5	39.1
Cumulative foreign visitor participation in arts and culture leisure activity	87.2	88.9	93.5	96	98.9	98.2	106	109	113	112	120.4	118.0
Indexed to 2003 = 1.00	0.98	1	1.05	1.08	1.11	1.1	1.2	1.23	1.27	1.26	1.35	1.33

## 46. ATTENDANCE AT BROADWAY SHOWS IN NEW YORK CITY

The Broadway theatre district in New York City is generally thought of as the most prominent venue for American theatre. The success of Broadway has long been regarded as a significant measure of the overall health of live theatre around the country, not just in New York.

This indicator is total attendance at Broadway shows in New York for the 2012/2013 season, using data from the Broadway League (formerly the League of American Theaters and Producers). The indicator illustrates a steadily increasing multi-year trend that peaked in 2011. Attendance in 2013 was 11.6 million.

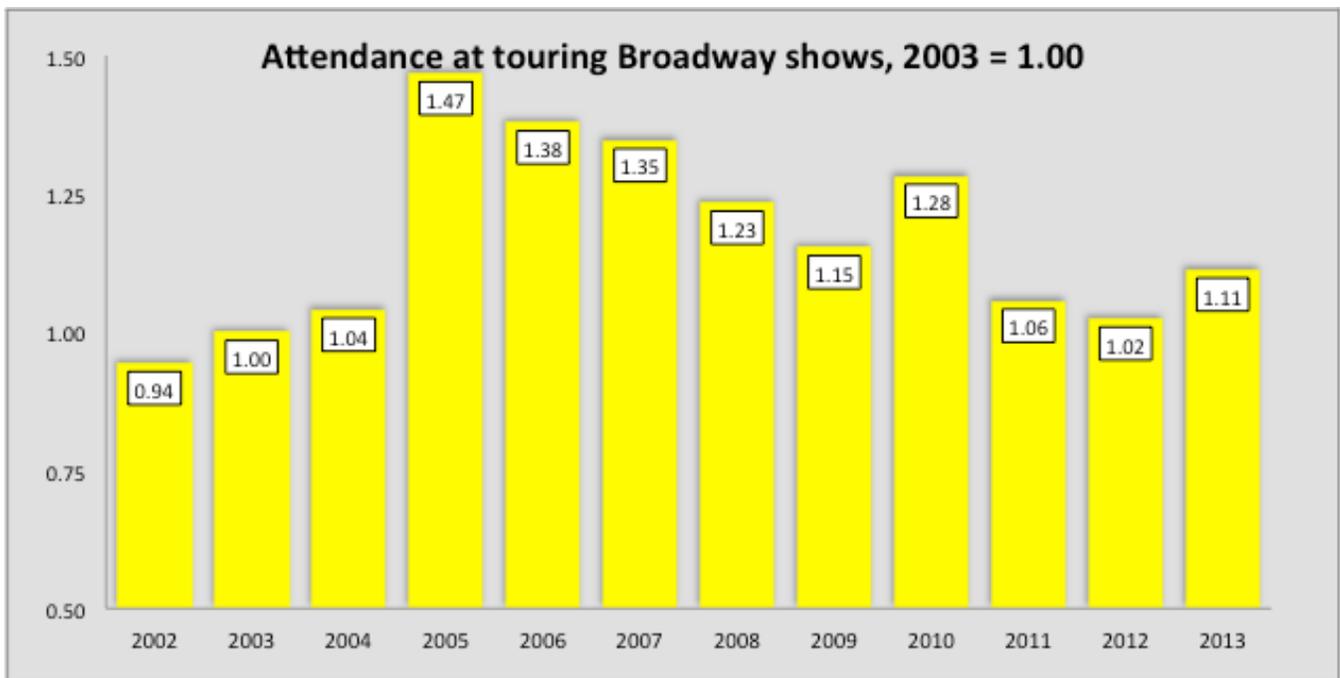


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total Attendance (000)	10,955	11,423	11,605	11,527	12,003	12,312	12,267	12,250	11,890	12,530	12,330	11,570
Indexed to 2003 = 1.00	0.96	1.00	1.02	1.01	1.05	1.08	1.07	1.07	1.04	1.10	1.08	1.01

## 47. ATTENDANCE AT TOURING BROADWAY SHOWS

Musicals, plays, songs, and stars come to wide attention and national prominence on Broadway, and shows that have succeeded there have spawned successful tours over the entire span of American theatrical history (After all: “If you can make it there ...”). Broadway shows tour the U.S. to audiences in many other cities and communities, bringing productions from the New York theatre district all over the country.

This indicator measures attendance at touring productions of Broadway shows, rounded to the nearest 100,000 (provided by the Broadway League). Through most recent years, more people saw Broadway shows on tour than did in New York. While attendance at Broadway shows in New York was growing, touring shows attracted progressively smaller audiences from 2005 through 2012, with 2010 as an exception. In 2013, the opposite occurred: touring Broadway shows had bigger audiences than in 2012, while New York audiences were smaller (see indicator #46).

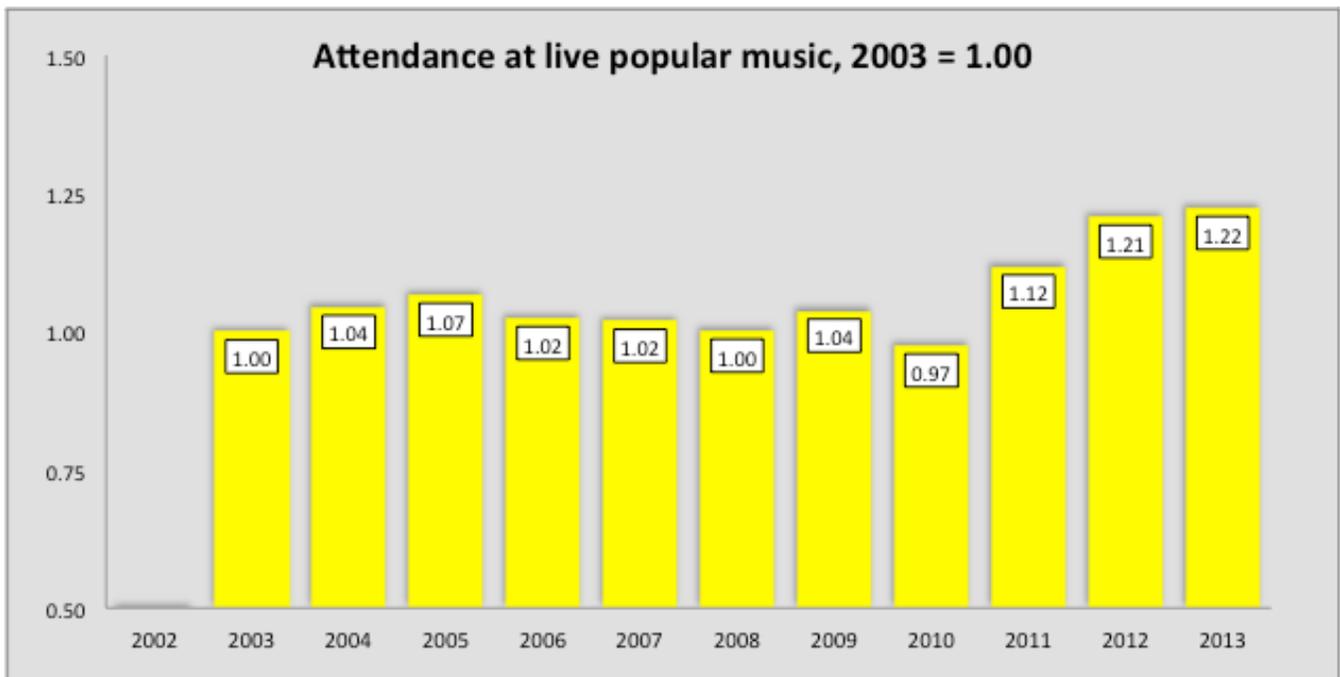


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Tickets sold (millions)	11.7	12.4	12.9	18.2	17.1	16.7	15.3	14.3	15.9	13.1	12.7	13.8
Indexed to 2003 = 1.00	0.94	1.00	1.04	1.47	1.38	1.35	1.23	1.15	1.28	1.06	1.02	1.11

## 48. ATTENDANCE AT LIVE POPULAR MUSIC

Attending the many varieties of popular music in concert is one of the main ways that new songs, styles, and sounds are communicated to the public. While the natural domicile of symphonic or operatic music may be the concert hall, pop styles like rock, hip-hop, or country are more likely to be heard in clubs, arenas, outdoor amphitheaters, and stadiums. Scarborough Research conducts large-scale national consumer marketing studies, involving more than 210,000 interviews and questionnaires in 81 metropolitan areas in the U.S., on a wide range of consumer behaviors including participation in arts activities.

This indicator, using data obtained by Scarborough, estimates the number of adults in its survey base who attended one or more popular music concerts in the prior 12 months. Scarborough estimates that the population in the 81 markets it studies was about 237 million in 2011, or about 75 percent of total U.S. population. Attendance at these events jumped in the Scarborough report to 59.4 million people, with increases in two of three pop music genres (Rock declined slightly). This is consistent with concert revenue (See indicator #9) based on Pollstar data that also shows a new multi-year high.

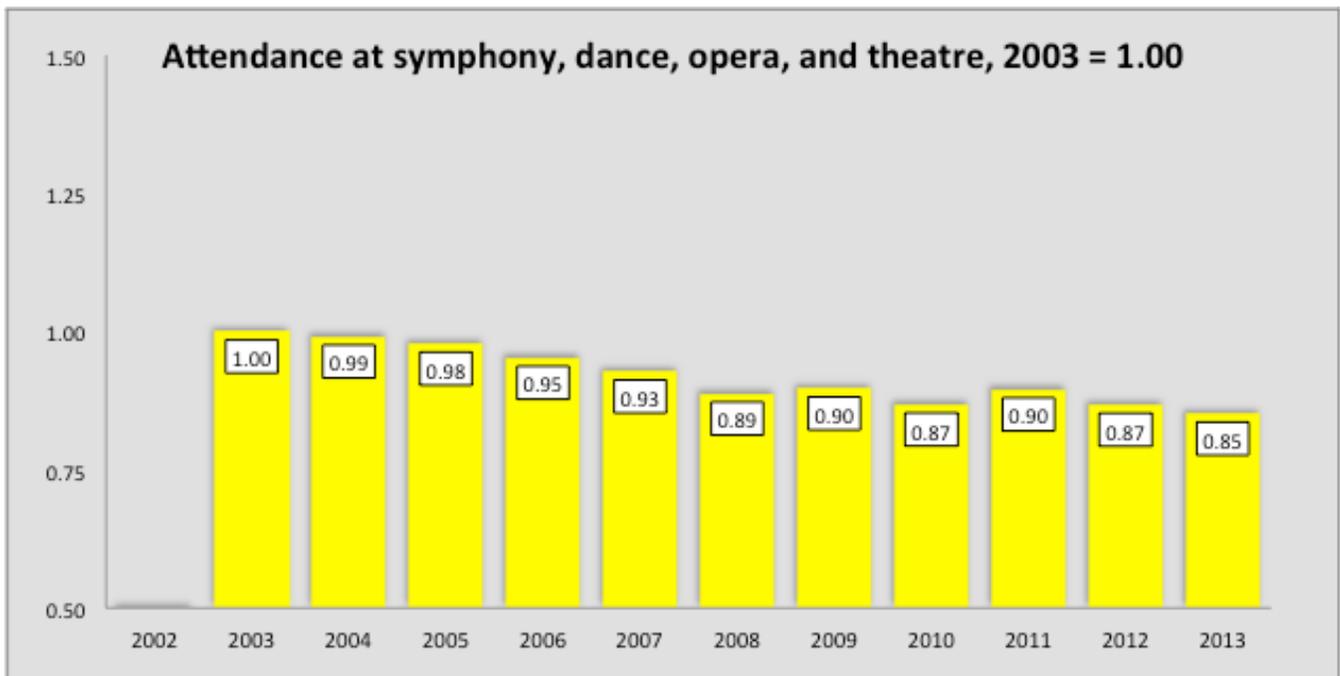


(All figures in 000)	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Country music concert		15,835	16,976	17,424	16,906	17,544	16,658	16,739	14,766	17,339	18,688	19,793
R&B/rap/hip-hop concert		7,508	7,659	8,122	7,625	7,039	6,938	7,183	6,971	8,363	9,963	10,056
Rock concert		25,236	26,108	26,271	25,227	24,931	25,062	26,497	25,621	28,598	30,026	29,587
Surveyed population in 81 metropolitan markets attending country, rock, rap, R&B, hip-hop music		48,579	50,742	51,818	49,758	49,513	48,657	50,419	47,358	54,300	58,677	59,436
Indexed to 2003 = 1.00	N/D	1.00	1.04	1.07	1.02	1.02	1.00	1.04	0.97	1.12	1.21	1.22

## 49. ATTENDANCE AT SYMPHONY, DANCE, OPERA, AND THEATRE

For many decades, the performing arts have been associated especially strongly with the fields of dance, opera, symphony, and theatre. For this reason, it helps to understand the vitality of arts and culture overall by looking at attendance at these four art forms collectively as well as individually. These kinds of programs are typically presented by nonprofit entities that are often influential not only for their performing arts forms, but also serve as important cultural institutions. Data on adult attendance at events is gathered by Scarborough Research in 81 metropolitan areas that include about 75 percent of the entire U.S. population, along with data Scarborough collects on attendance at museums and at popular music events.

This indicator is Scarborough's estimate of attendance at these performing arts events. This wide diversity of artistic genres contributes to a large audience base of some 86.4 million in 2003, declining to 73.4 million in 2013. Certainly, there is some double counting among all of these measures, as audiences for one genre are often cultural omnivores who also attend popular music concerts and visit museums. The long-term downward trend is a cause for attention and concern.

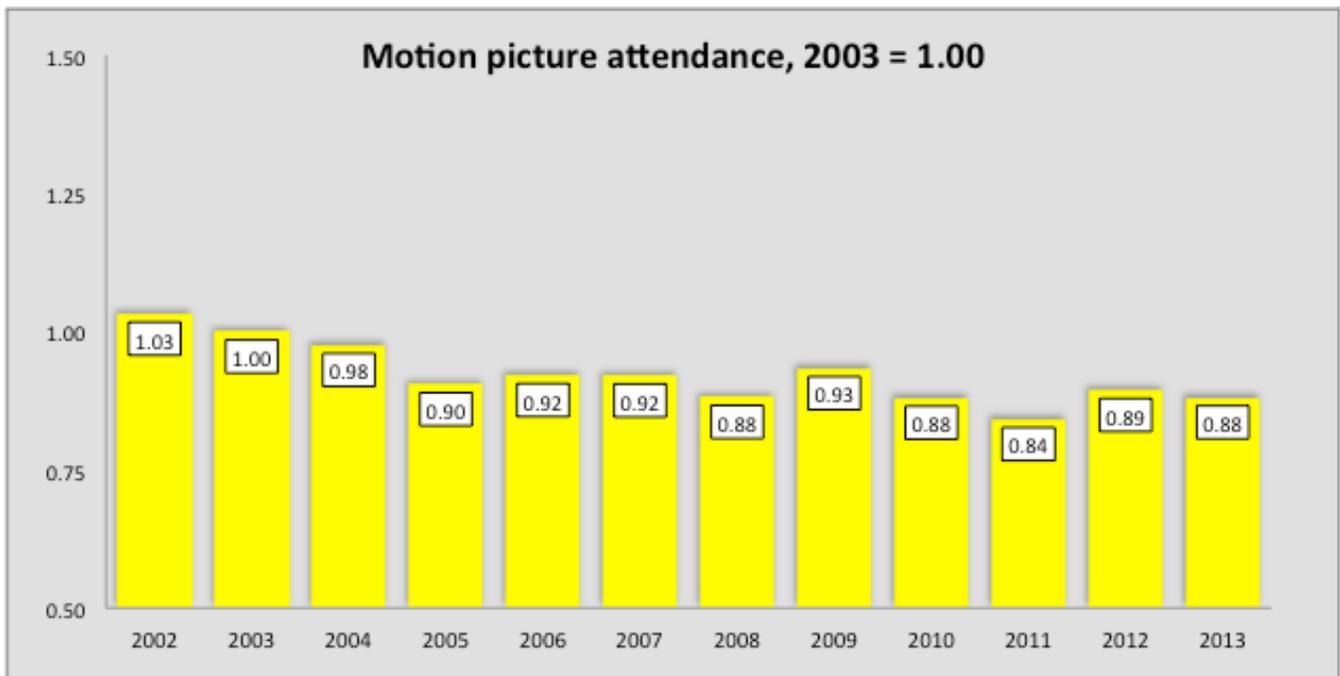


(All figures in 000)	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Dance or ballet performance		15,797	15,153	15,258	14,803	15,114	14,880	15,233	15,000	14,336	13,779	13,742
Live theater		50,059	50,292	49,154	48,337	48,099	47,307	46,743	45,569	45,278	44,062	43,633
Symphony concert, opera, etc.		20,521	20,151	20,063	19,140	16,920	14,492	15,510	14,811	17,719	17,098	16,166
Surveyed population in 81 metropolitan markets attending dance, symphony, opera, and theatre		86,376	85,596	84,475	82,280	80,134	76,678	77,486	74,980	77,333	74,940	73,541
Indexed to 2003 = 1.00	N/D	1.00	0.99	0.98	0.95	0.93	0.89	0.90	0.87	0.90	0.87	0.85

## 50. MOTION PICTURE ATTENDANCE

Attendance at feature films is one of the most popular and widespread forms of participation in the arts. Hundreds of millions of people attend showings of hundreds of films, presented in tens of thousands of movie theatres around the country. While digital video on the internet continues to grow in popularity, and in its impact on how feature films are delivered, cinema showings continue to attract the largest audiences of all the activities tracked in this Index.

This indicator measures total attendance at movies according to National Association of Theater Owners (NATO) data for the U.S. and Canada. NATO, like some other trade associations, combines Canadian and U.S. data in its annual tallies. This is problematic in some ways, because the data include some foreign activities. However, it is plausible to say that Canadian movie-going is close enough to American movie-going in that rates of change are very close in both countries. Total attendance is erratic; looking at the whole span of data reveals three different “peaks,” in 2007, 2009, and 2013 (1.34 billion attendees). Like music purchases, movie attendance is affected by alternatives that consumers can use to access movies.



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Motion picture Attendance (billions)	1.570	1.521	1.484	1.376	1.401	1.400	1.341	1.42	1.339	1.280	1.36	1.34
Indexed to 2003 = 1.00	1.03	1.00	0.98	0.90	0.92	0.92	0.88	0.93	0.88	0.84	0.89	0.88

## 51. ART MUSEUM VISITS

While concert attendance events are widely distributed and are accessible in both larger and smaller markets, art museums tend to be concentrated in metropolitan areas—including the 81 metropolitan regions where Scarborough Research collects data. Art museums are only a subset of the whole museum field, so art museum attendance is just one aspect of total museum attendance.

This indicator, provided by Scarborough, is an estimate of the number of people in its survey base (of 210,000 individuals) in 81 metropolitan regions who visited an art museum one or more times in the prior year. The estimate of art museum attendance in metropolitan areas declined from about 33.0 million visitors to 31.4 million between 2003 and 2013.

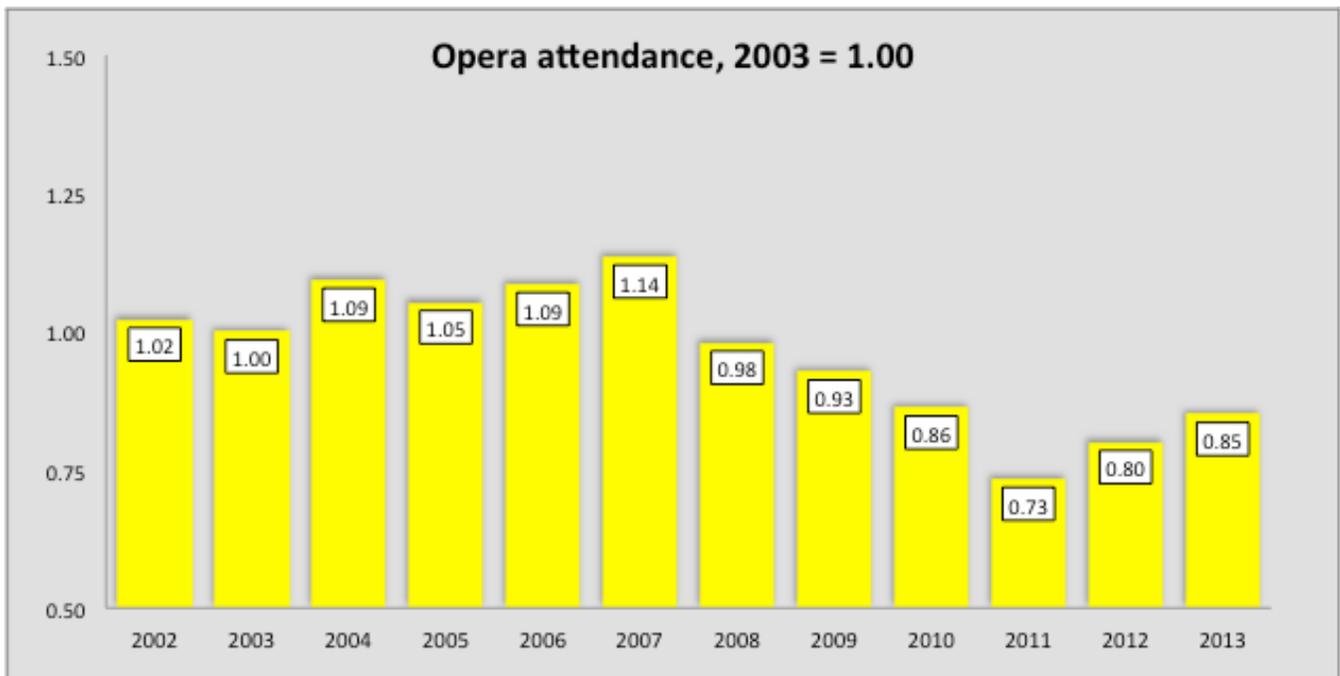


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Art museum attendance in 81 metropolitan markets		33,070.2	32,412.8	33,190.5	31,449.0	30,828.7	30,862.7	30,333.3	31,090.5	30,505.9	31,084.9	30,510.8
Indexed to 2003 = 1.00	N/D	1.00	0.98	1.00	0.95	0.93	0.93	0.92	0.94	0.92	0.94	0.92

## 52. OPERA ATTENDANCE

Opera is one of the most comprehensive and ambitious of live performance enterprises, encompassing visual, musical, and dramatic elements in a complex performance. Opera America, the national service organization for the opera field, conducts an annual Professional Opera Survey. The more than 100 opera companies that respond annually to this survey produce hundreds of productions and over 2,000 performances each year.

This indicator measures total attendance at main stage season performances by reporting opera companies. From 2000 through 2010, this number dropped to 2.3 million, down from 3.9 million. In two subsequent years, it has increased to 2.7 million. This is only a count of attendance at main stage performances, so it certainly understates the total audience. Like symphony, theatre, dance, and other art forms, much opera activity is offered in educational and community settings to large audiences. Those audiences, however, are not systematically counted. In addition, these figures do not include digital simulcasts such as the very popular simulcasts of Metropolitan Opera performances, which have welcomed millions more viewers to the opera experience.

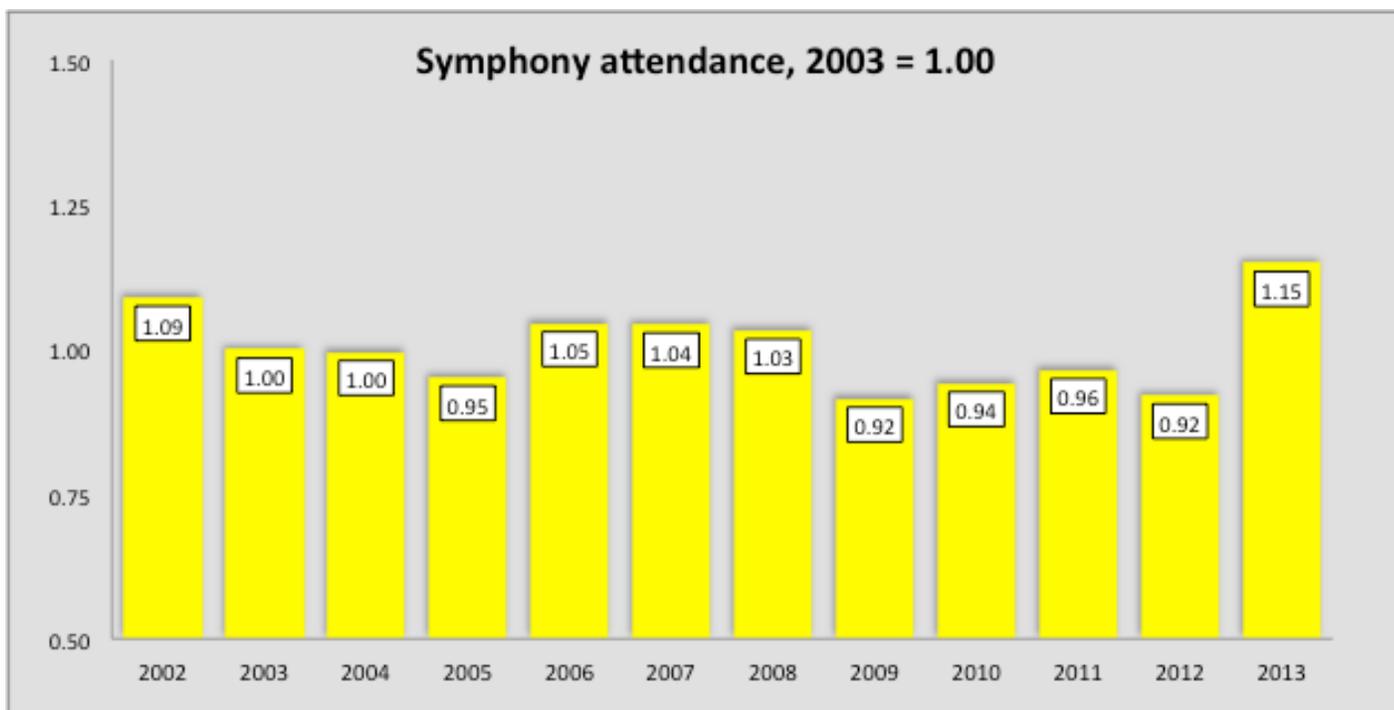


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Professional opera mainstage attendance (000)	3,211	3,142	3,436	3,309	3,411	3,568	3,078	2,914	2,710	2,304	2,514	2,673
Indexed to 2003 = 1.00	1.02	1.00	1.09	1.05	1.09	1.14	0.98	0.93	0.86	0.73	0.80	0.85

### 53. SYMPHONY ATTENDANCE

Symphony as both an art form in the concert hall and an institutional presence in American communities is one of the mainstays of the lively arts in the American cultural experience—a role it shares with opera, theatre, and dance. With hundreds of symphony orchestras across the country, founded in every time period from the mid-19<sup>th</sup> century to the 1970s and even later, orchestral music is among the most accessible of classical music types. Data on symphony orchestra attendance is gathered annually by the League of American Orchestras for publication in its *Orchestral Survey Reports*.

This indicator tracks total attendance at symphony concerts in the U.S. as estimated by the League. In addition to reporting data from responding orchestras, the League estimates attendance at all orchestra concerts by extrapolating to the population of symphony orchestras. This indicator reports those extrapolated estimates. Orchestra attendance has dropped from earlier decades, but was relatively stable in a range of around 26 million from 2009 through 2012. The increase in attendance shown in 2013 to 32 million reflects higher response rates to the League’s survey among small orchestras, which have above-average levels of attendance at community engagement and education events. Rather than representing a jump in attendance in 2013, it is more likely that earlier years’ symphony attendance for the whole field was higher than previously reported.

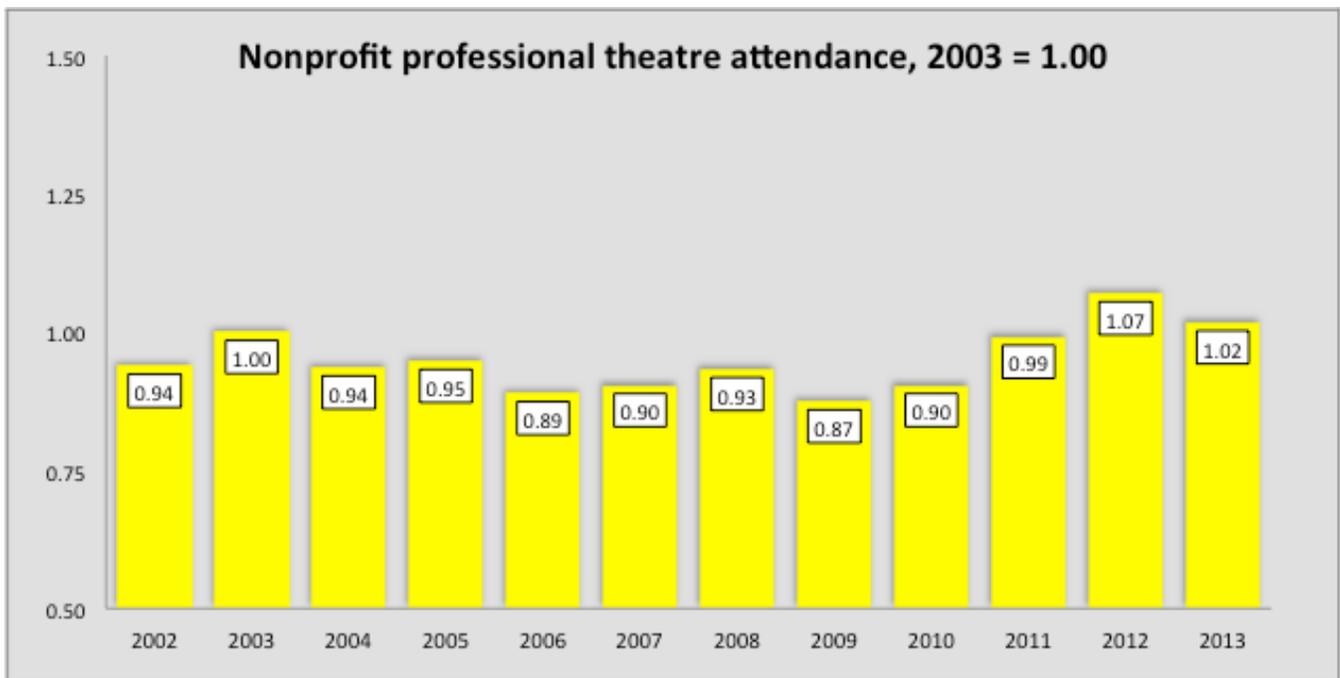


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total symphony performance attendance (000)	30,305	27,802	27,683	26,471	29,070	29,016	28,718	25,443	26,183	26,812	25,603	31,956
Indexed to 2003 = 1.00	1.09	1.00	1.00	0.95	1.05	1.04	1.03	0.92	0.94	0.96	0.92	1.15

## 54. NONPROFIT PROFESSIONAL THEATRE ATTENDANCE

Live theatre is a core component of the performing arts, one that is deeply embedded in the American cultural experience. Theatre is presented in any number of venues, by nonprofit groups with volunteer or professional actors, in private and public schools at all levels, and by professional theatrical businesses on Broadway and elsewhere.

This indicator measures total annual attendance at nonprofit professional theatres using data published annually by Theatre Communications Group (TCG) in the annual *Theatre Facts* report. TCG makes an annual estimate of attendance, based on responses to its annual survey. Those are then extrapolated by TCG to the larger population of all nonprofit professional theatres. After growing for four years through 2012, estimated theatre attendance fell in 2013 to 34.9 million, which is still the second highest level ever in the National Arts Index.



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total attendance at nonprofit professional theatre (000)	32,200	34,300	32,100	32,500	30,500	31,000	32,000	30,000	31,000	34,000	36,700	34,900
Indexed to 2003 = 1.00	0.94	1.00	0.94	0.95	0.89	0.90	0.93	0.87	0.90	0.99	1.07	1.02

## CHAPTER 6. COMPETITIVENESS INDICATORS

There are 27 *Competitiveness* indicators for 2013 illustrating how arts and culture co-exist with other forces in society. Of course, many of the other indicators show the role of the arts in a specific context. These Competitiveness indicators, however, have more of a systemic and societal orientation, showing the arts in their broader ecological settings.

The individual indicators described in this chapter provide additional detail on the competitiveness of arts and culture from 2002 to 2013. Twelve indicators grew, eight had lower indicator readings, and four stayed the same. Cumulatively, they result in a Competitiveness score of 92.4 for 2013. No data were available for three indicators that do not figure into the 2013 Index score.

The next two tables show the indicators used in the Competitiveness dimension, and the number of indicators that are utilized to make up the overall Competitiveness score in each year. Those scores are shown in Figure G below.

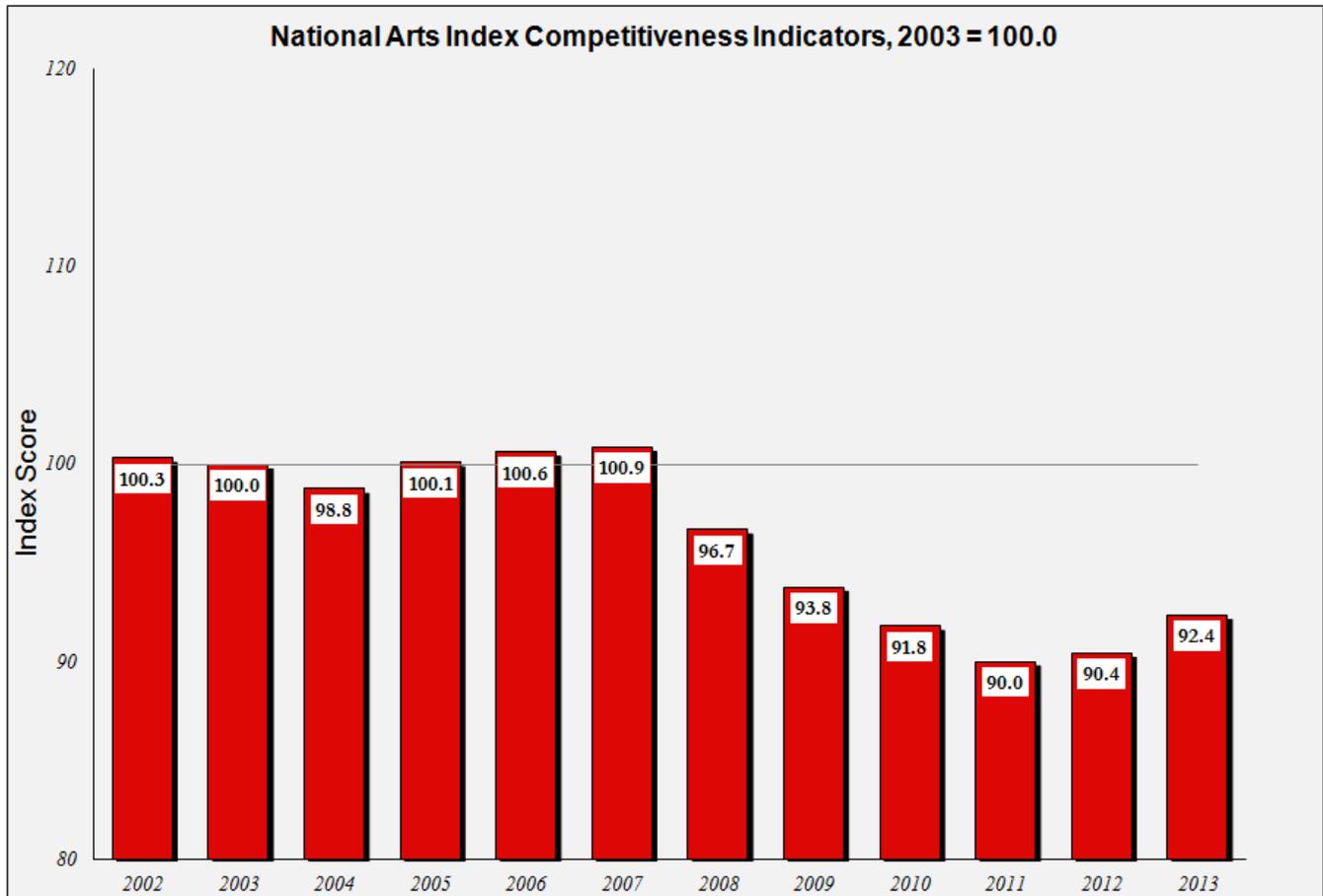
TABLE 8. COMPETITIVENESS INDICATORS

55.	Arts and culture share of private giving
56.	Share of metropolitan households contributing to arts and culture
57.	Arts and culture share of personal expenditures
58.	Arts share of Gross Domestic Product (no data available for 2013)
59.	Visual and performing arts share of all degrees
60.	Share of employees in arts and culture industries
61.	Share of workers in arts and culture occupations
62.	Share of payroll in arts and culture industries
63.	Share of SAT I test takers with four years of art or music
64.	Share of establishments in arts and culture industries
65.	Arts and culture share of foundation funding (no data available for 2013)
66.	Arts and culture share of corporate funding
67.	Federal government arts and culture funding per capita
68.	Arts and culture share of federal domestic discretionary spending
69.	State arts agency funding per capita
70.	State arts agency share of state general fund expenditures
71.	Population share attending Broadway shows in New York City or on tour
72.	Population share attending live popular music
73.	Population share attending symphony, dance, opera, and theatre
74.	Population share visiting art museums
75.	Population share attending opera
76.	Population share attending symphony
77.	Population share attending nonprofit professional theatre
78.	Year-end value of the Mei Moses® All Art index
79.	U.S. share of world creative goods trade (no data available for 2013)
80.	Return on assets of arts businesses
81.	Share of nonprofit arts organizations with end-of-year surplus

**TABLE 9. COMPETITIVENESS INDICATORS PER YEAR**

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
18	22	27	27	27	27	27	27	27	27	27	27

Cumulatively, these 27 indicators result in the following 12-year trend in competitiveness of arts and culture:



**FIGURE G. NATIONAL ARTS INDEX COMPETITIVENESS INDICATORS (2003 = 100.0)**

The term “competitiveness” is not often applied to the arts. Yet, a number of these indicators assess the position of the arts in their various markets against other possible uses of audience members’ time, donors’ contributions, and institutions’ funding. The logic is similar to what companies use when assessing their market share: it shows how an organization is faring when taking into account all of the other providers of its goods and services, separate in many ways from any overall growth (or shrinkage) of the marketplace. Similarly, the percentage of the overall population engaging in one or more arts activities points to how the arts are competing against all of the other ways that consumers can spend their time and money. For example, some of the Capacity indicators measure changes in the number of workers in artistic industries or artistic occupations; in the Competitiveness dimension, the focus is on the artistic share of total workers or total industries, because these are also changing constantly. Thus, a one percent annual increase in attendance for a given art form is a positive, but it has less of an impact if the population has grown more than one percent.

Other measures in this dimension relate to arts education, including arts education of college-bound seniors, and the visual and performing arts share of higher education degrees. There are views of the role of government funding derived by looking at the per capita funding of the arts provided by the federal and state governments, U.S. participation in the global exchange of creative goods, and the share of discretionary spending that Congress and the state legislatures commit to the arts. Where indicators describing corporate and financial philanthropy in the Financial Flows section were measured in dollars, those same dollars here are used to evaluate the share of total corporate and foundation dollars, or on a *per capita* basis to approximate the impact on each citizen.

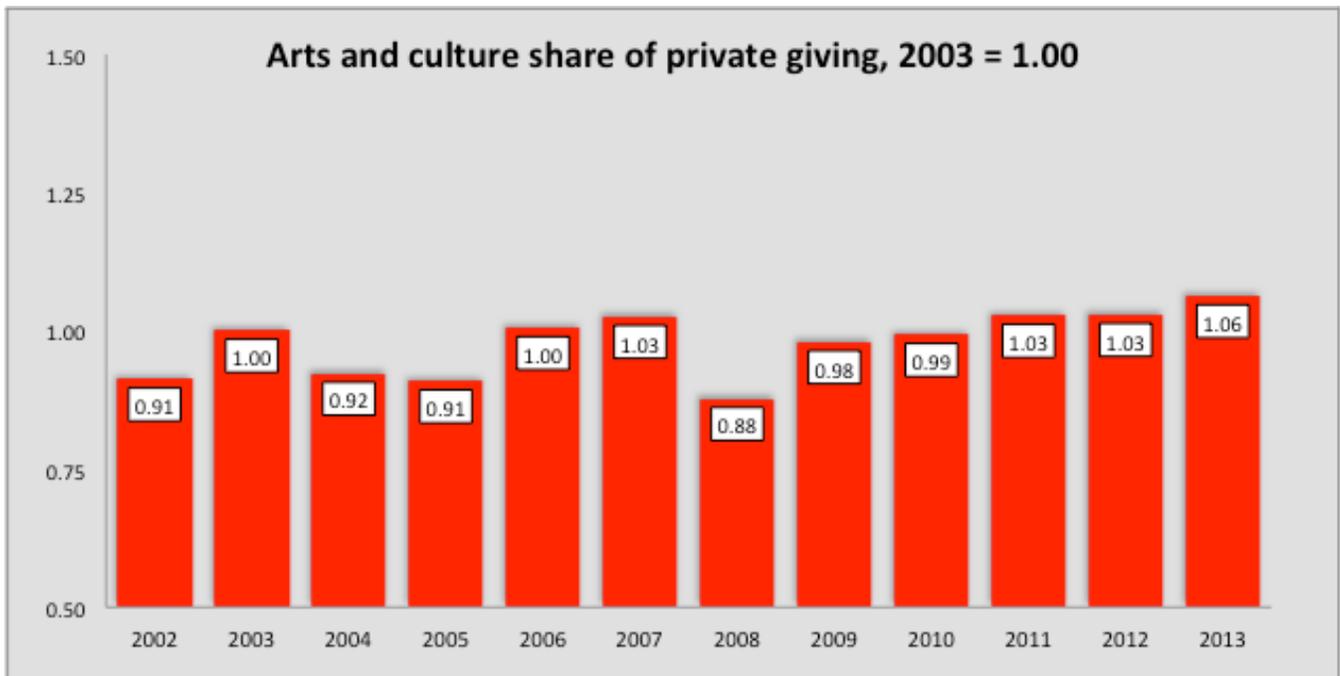
Compared to the early National Arts Index reports, this year's tally, along with the measure for 2013 shows a more positive view of arts competitiveness compared to the last years of the 2000s. Along with the Arts Participation indicators, Competitiveness indicators are helping to raise the overall Index score. To the extent that the arts are viewed as co-existing in ecology with other powerful forces in society, the impact of the arts will necessarily be affected by those other forces. Social forces, population growth and diversity, multiple public policy changes, the global environment, evolving access to and use of technology — these are not our main subject in this report, but they are the contexts of the arts. Their general effects, and especially the way in which they contend with arts for resources and attention, are vital matters for the arts sector.

In past years, we saw the cumulative evidence of indicators in this dimension showing the arts becoming less competitive. We were concerned that this decline would threaten the vitality of the arts, just as increased participation fuels its future. We take cheerful note, then, that these competitiveness measures stabilized in 2012 and grew in 2013.

## 55. ARTS AND CULTURE SHARE OF PRIVATE GIVING

Nonprofit arts organizations seeking philanthropic support have to compete with other nonprofit sector service areas that depend on private charitable giving. Philanthropy to arts and culture is just one of many charitable options for individuals, corporations, and foundations. The question of interest is how well do arts and culture do in this competition?

This indicator measures the share of total private philanthropy given to arts and culture organizations, in effect the market share of the arts in private giving, using data from *Giving USA*. In the late 1990s, this was a notably high indicator in the Index—averaging 4.4 percent over the whole 11-year span. The “market share” of arts and culture in the overall philanthropy market in the early and mid-2000s progressively declined from peaks reached in the late 1990s. However, that trend reversed: there was a steady upwards climb from 2009 through 2013. 2013 saw the fortunate coincidence of rising overall private philanthropy and a relatively high allocation to the arts.

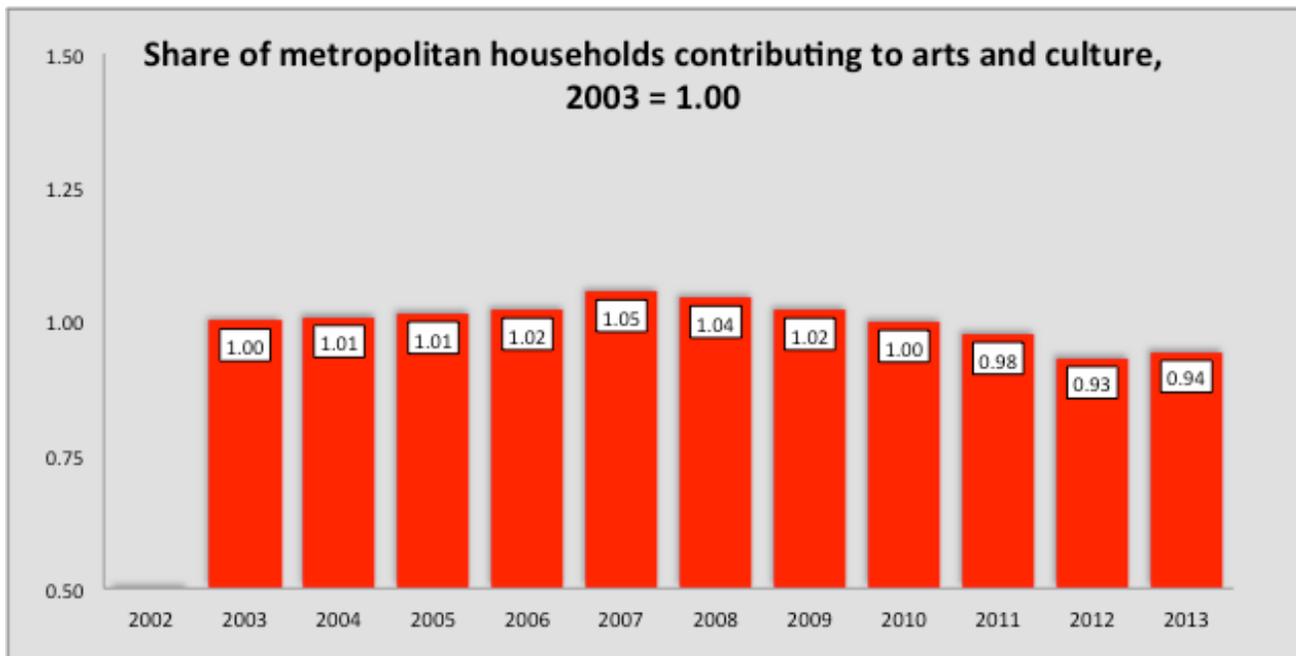


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total private philanthropy (\$B)	232.72	237.43	260.26	292.43	296.09	311.06	299.61	274.78	288.16	298.45	320.97	335.17
Private arts philanthropy (\$B)	9.93	11.11	11.23	12.43	13.92	14.92	12.29	12.59	13.38	14.34	15.45	16.66
Arts philanthropy as a share of total philanthropy	4.30%	4.70%	4.30%	4.30%	4.70%	4.80%	4.10%	4.60%	4.64%	4.80%	4.81%	4.97%
Indexed to 2003 = 1.00	0.91	1.00	0.92	0.91	1.00	1.03	0.88	0.98	0.99	1.03	1.03	1.06

## 56. SHARE OF METROPOLITAN HOUSEHOLDS CONTRIBUTING TO ARTS AND CULTURE

Market share in private giving can be considered in terms of the percentage of dollars contributed to the arts, and also in terms of the share of potential donors. While attendance at events is something that tends to be tallied in numbers of individuals, other decisions involving the arts—such as whether to donate—may be made at a household level rather than by individuals. Scarborough Research conducts large-scale studies, involving more than 210,000 interviews and questionnaires in 81 metropolitan areas in the U.S., on a wide range of consumer behaviors including participation in arts activities. Among their areas of inquiry is whether households have donated to arts and culture organizations.

This indicator, using data obtained by Scarborough, estimates the percentage of households that made a donation to an arts and culture organization in the prior 12 months. Scarborough estimates that the population in the markets it studies is about 239 million in 2013, or about 76 percent of total U.S. population. (Data for this indicator are only available from 2006 onwards. The indicator uses values for 2003-05 estimated by assuming that this measure would have changed at the average rate of the 77 other National Arts Index indicators available for those years, or about 0.67 percent increase per year.) From 2007 to 2012, years where Scarborough has made its measures of household giving, the share declined from 9.3 percent to 8.2 percent, before gaining slightly in 2013. Generally, this has shown a less sunny result for the arts than the amount of total private philanthropy in Indicator #55, which saw a new high in 2013. A possible explanation is that foundation and corporate givers, who are also counted in the private giving estimate, give more than households.



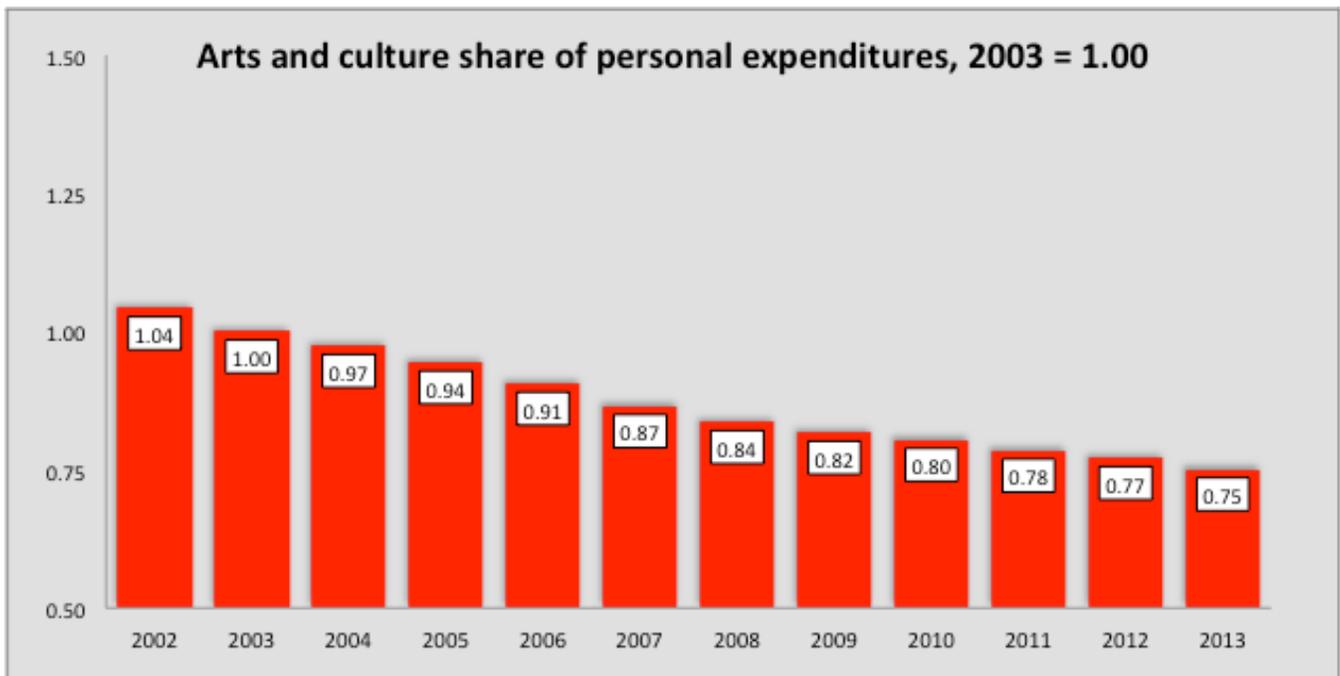
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Share of metropolitan households contributing to arts and culture		8.8%*	8.9%*	8.9%*	9.0%	9.3%	9.2%	9.0%	8.8%	8.6%	8.2%	8.3%
Indexed to 2003 = 1.00	N/D	1.00	1.01	1.01	1.02	1.05	1.04	1.02	1.00	0.98	0.93	0.94

\* Estimated

## 57. ARTS AND CULTURE SHARE OF PERSONAL EXPENDITURES

In the U.S. economy, personal and household consumer spending consistently represents about 70 percent of total spending activity. However, the actual composition of consumer spending within that aggregate can and does change. For this reason, it is important to track how consumer spending on arts and culture—which is discretionary—changes as a component of overall consumption.

This indicator measures the total of selected arts and culture expenditures as a share of total personal consumption expenditures, using the National Income and Product Accounts available from the Bureau of Economic Analysis. Total personal consumption spending increased (in current dollars) from \$7.1 trillion to \$11.2 trillion between 2001 and 2012. Over the same decade, arts and culture consumption grew from \$130 billion to \$151 billion (and was as high as \$155 billion for several years), but this growth is less than the increase in total spending. The net effect is that the arts share of total personal expenditures captured in this indicator is in a continuing slide from 1.83 percent to 1.35 percent of personal spending. Note the explanations of the items included in this indicator, and how indicator values in past years were revised in the description of Indicator #34.

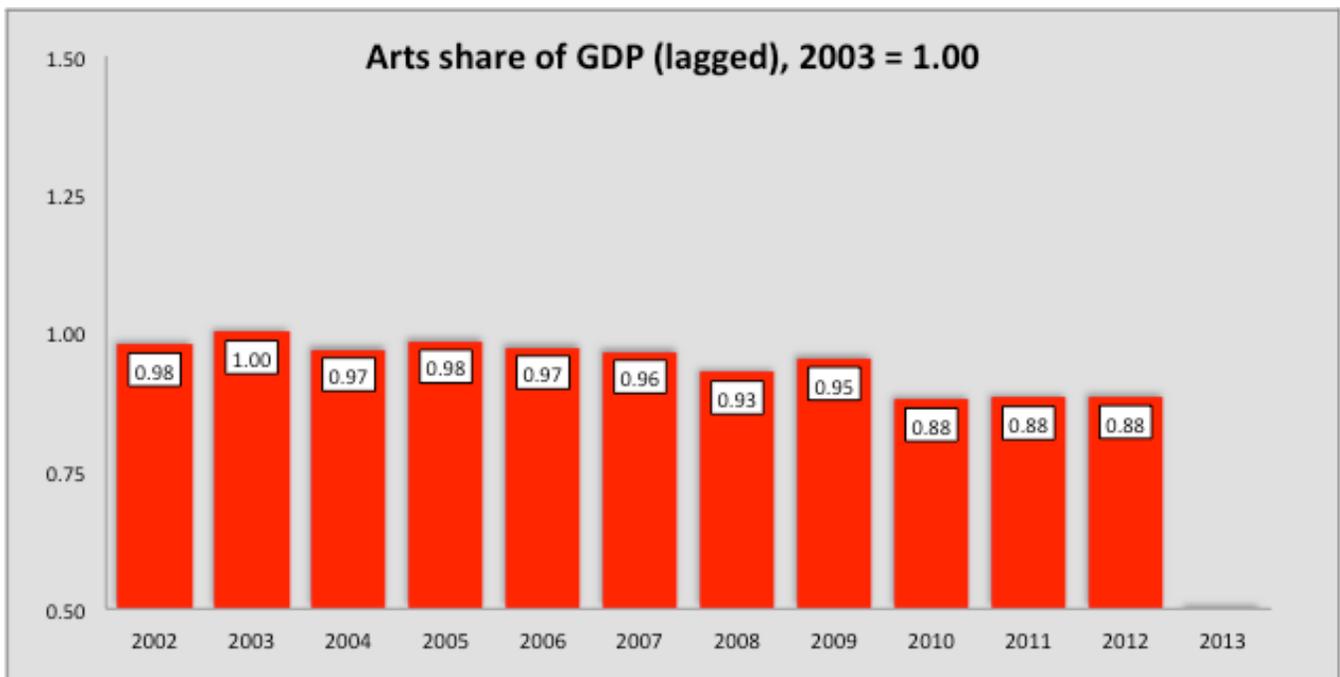


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
All personal consumption expenditures (\$B)	7,385	7,764	8,258	8,790	9,297	9,744	10,006	9,843	10,202	10,712	11,150	11,501
Total selected arts and culture expenditures (\$B)	135.2	136.4	141.3	145.8	147.9	148.1	147.0	141.3	144.1	147.6	151.0	151.7
Arts and culture expenditures as percentage of total	1.83%	1.76%	1.71%	1.66%	1.59%	1.52%	1.47%	1.44%	1.41%	1.38%	1.35%	1.32%
Indexed to 2003 = 1.00	1.04	1.00	0.98	0.95	0.92	0.88	0.85	0.81	0.80	0.79	0.77	0.75

## 58. ARTS SHARE OF GDP

In 2014, the National Endowment and the Arts and the Bureau of Economic Analysis (BEA) collaborated to produce a new set of reports that BEA expects to produce annually focusing on the arts in the economy, the “Arts and Culture Production Satellite Accounts.” These accounts include a range of measures of how the arts and culture sectors affect economic output. Among them is a tally of total arts and culture output, specifically including the creative content of advertising, fine arts schools and academic performing and fine arts, cable TV production and distribution, movies, independent artists, publishing of books, newspapers, and periodicals, radio and TV broadcasting, and selected architectural services. For 2012, the last year for which the data was tallied, these output measures came to more than \$500 billion.

This indicator measures arts and culture as a share of overall Gross Domestic Product, or GDP. It is lagged one year, so the 2012 figure here – the last one available – represents the arts and culture share of 2011 GDP. We had previously calculated that this indicator correlated particularly strongly with the following year’s overall National Arts Index score, so this is not especially problematic. Over years 1998 through 2012, BEA data shows this share ranging from 3.2 percent to 3.7 percent, averaging 3.3 percent. This indicator could not be updated with 2013 data.

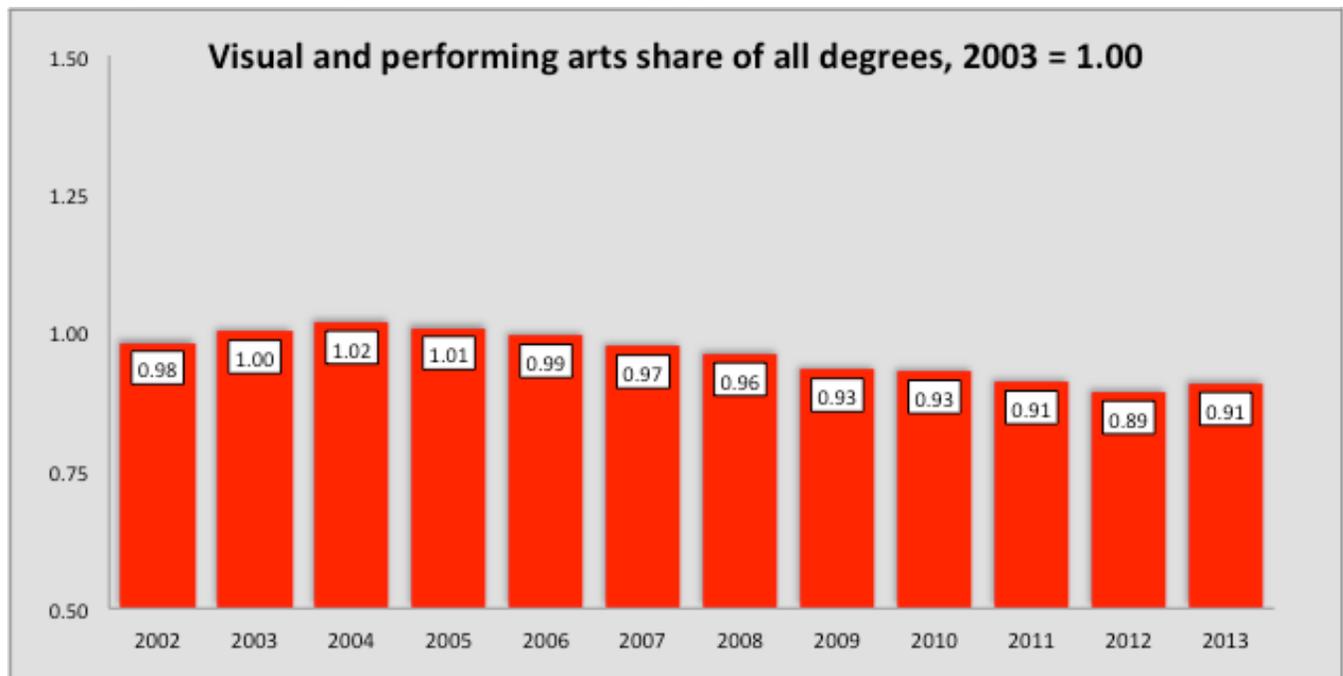


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Prior year arts and culture production value added (\$M)	379,519	407,022	420,554	455,281	476,528	493,939	482,512	485,557	464,619	483,449	504,390	
Prior year GDP (\$B)	10,980.20	11,512.20	12,277	13,095.40	13,857.90	14,480.30	14,720.30	14,417.90	14,958.30	15,533.80	16,244.60	
Lagged arts and culture share of GDP	3.46%	3.54%	3.43%	3.48%	3.44%	3.41%	3.28%	3.37%	3.11%	3.11%	3.10%	
Indexed to 2003 = 1.00	0.98	1.00	0.97	0.98	0.97	0.96	0.93	0.95	0.88	0.88	0.88	N/D

## 59. VISUAL AND PERFORMING ARTS SHARE OF ALL DEGREES

In total, students earned almost 39 million degrees in all subjects, from associates to doctoral level, between 2001 and 2013. Students pick their major from a range of subjects, and successive cohorts of college students have had evolving interests, resulting in shifts in the popularity of majors. These shifts can be going on even while overall completions are trending at different rates from individual subject areas.

This indicator measures the share of those degrees that were in the visual and performing arts realm. Along with Indicator #41, this uses data from the National Center for Education Statistics in the U.S. Department of Education. Starting at 3.7 percent in 1999, the share of visual and performing arts degrees among all degrees peaked at 4.3 percent in 2004, capping several years of steady increase. Even though the total number of arts degrees rose steadily, its growth was not as high as the growth in the number of total degrees. In 2013, visual and performing arts degrees numbered almost 140,000 (the most ever), but comprised only 3.8 percent of all degrees. It is telling, however, that this peak of degree completion in 2013, when the economy was recovering, counts degrees that were begun in much more challenging economic times.

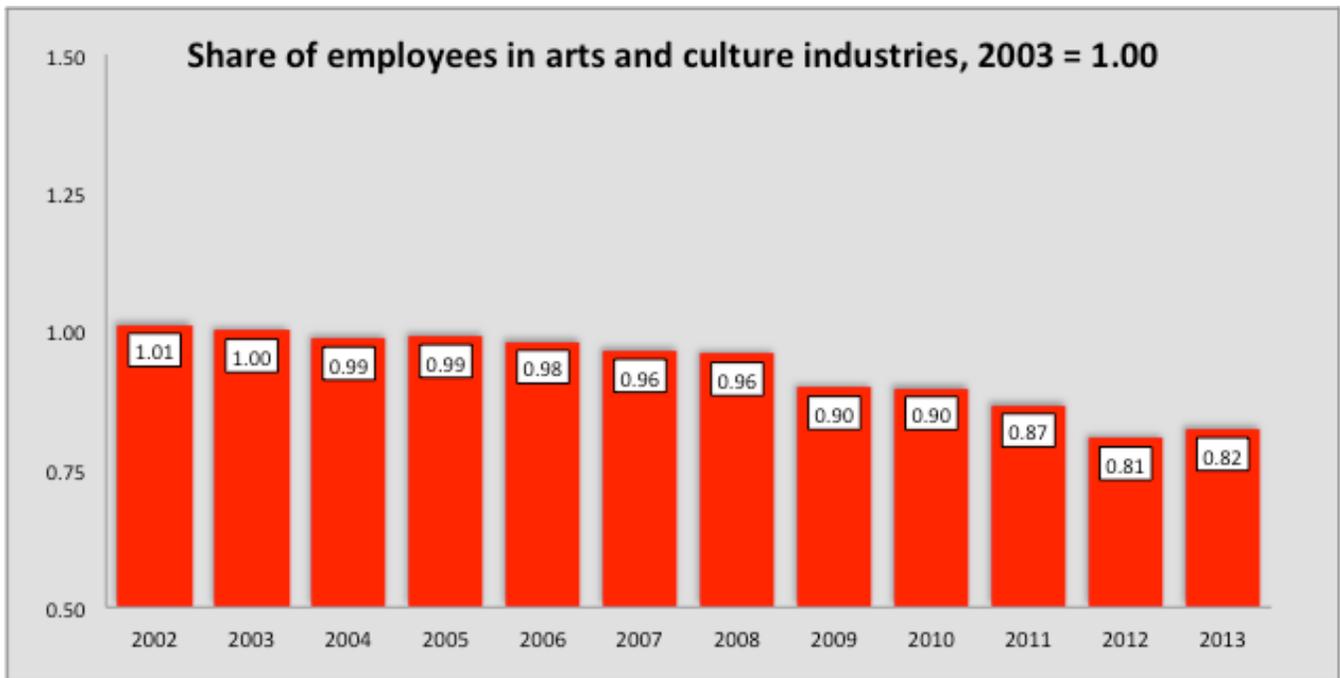


VPA = Visual & performing arts, all degrees data 000	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
VPA associates degree	20.911	23.120	23.949	22.650	21.754	20.244	18.890	18.643	19.703	21.379	22.431	22.306
All associate degrees	595.1	634.0	665.3	696.7	713.1	728.1	750.2	794.5	857.6	942.3	1017.5	1,006.961
VPA bachelor's degree	66.773	71.474	77.181	80.955	83.297	85.186	87.703	93.009	91.802	93.956	95.797	97.796
All bachelor's degrees	1.292	1.349	1.400	1.439	1.485	1.524	1.563	1.698	1.650	1.716	1.791	1,840.164
VPA master's degree	11.595	11.986	12.906	13.183	13.530	13.676	14.164	14.986	15.552	16.277	17.331	17.869
All masters degrees	482.1	513.3	558.9	574.6	594.1	604.6	625.0	669.5	693.0	730.6	754.2	751.751
VPA doctoral degree	1.114	1.293	1.282	1.278	1.383	1.364	1.453	1.569	1.599	1.646	1.728	1.814
All doctoral degrees	44.2	46.0	48.4	52.6	56.1	60.6	63.7	37.3	57.4	57.4	71.4	74.682
All VPA degrees	100.393	107.873	115.318	118.066	119.964	120.470	122.210	127.557	128.656	133.258	137.287	139.785
All degrees	2,413	2,542	2,672	2,763	2,848	2,917	3,002	3,230	3,199	3,446	3,634	3,674
Associate VPA share	3.5%	3.6%	3.6%	3.3%	3.1%	2.8%	2.5%	2.3%	2.3%	2.3%	2.2%	2.22%
Bachelors VPA share	5.2%	5.3%	5.5%	5.6%	5.6%	5.6%	5.6%	5.5%	5.6%	5.4%	5.3%	5.31%
Masters VPA share	2.4%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.2%	2.2%	2.2%	2.3%	2.38%
Doctoral VPA share	2.5%	2.8%	2.6%	2.4%	2.5%	2.3%	2.3%	2.5%	2.8%	2.9%	2.4%	2.43%
Total VPA share of degrees	4.2%	4.2%	4.3%	4.3%	4.2%	4.1%	4.1%	4.0%	4.0%	3.9%	3.8%	3.81%
Indexed to 2003 = 1.00	0.98	1.00	1.02	1.01	0.99	0.97	0.96	0.93	0.95	0.91	0.89	0.90

## 60. SHARE OF EMPLOYEES IN ARTS AND CULTURE INDUSTRIES

In a dynamic economy, the total number of workers changes as people enter and exit the labor force. As the labor force grows and contracts, workers also move between industries, so some industries will have larger shares of all employees, while others will see their share of the workforce decline. While there is a long-running (multi-decade) expansion of the labor force as the population grows, the growth rate is inconsistent and even becomes negative in times of poor economic performance. The overall economy in 2007-10 was particularly tumultuous for labor markets.

This indicator measures the employees in arts and culture industries as a share of total employees in all industries using the 43 NAICS code industries listed in Appendix A. This indicator has generally stayed between 1.5 percent and 1.8 percent of total employees, though it has been in a gradual downward trajectory since 2000. From 2009 through 2013, 1.5 to 1.6 percent of employees worked in arts and culture industries. This indicator rose in 2013 for the first time in several years, as arts industry hiring grew faster than hiring in general.



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Employees in all industries (000)	112,400	113,398	115,075	116,317	119,917	120,604	120,904	120,604	111,970	113,426	115,938	118,266
Employees in arts-related industries (000)	2,055	2,052	2,053	2,084	2,126	2,103	2,095	1,956	1,815	1,776	1,689	1,759
Arts share of employees	1.83%	1.81%	1.78%	1.79%	1.77%	1.47%	1.73%	1.62%	1.62%	1.57%	1.46%	1.49%
Indexed to 2003 = 1.00	1.01	1.00	0.99	0.99	0.98	0.96	0.96	0.90	0.90	0.87	0.81	0.82

## 61. SHARE OF WORKERS IN ARTS AND CULTURE OCCUPATIONS

Taking different perspectives on artistic work produces different measures of the state of the arts labor markets. Any change in the number of workers in artistic occupations should be evaluated in the context of changes in total workers in all occupations over the same time period. The resulting measure is the share of all workers who are in artistic occupations. The same BLS data that describe occupations of workers (described with Indicator #2) can be used to make this comparison. “Occupation” refers to the nature of the work, not to whether the work is self-employed or is an employee of an organization.

This indicator measures the share of workers in all 45 occupations classified in the Standard Occupational Code system who have arts and culture occupations. (See Appendix B for a list of SOC codes used in this indicator.) The share is small (just over 1.2 percent of all workers), and the long term trend is arts occupations have a decreasing share of total occupations: Workers in all occupations increased by 13 percent between 2001 and 2013, while the number of workers in all occupations grew by just 2 percent. Concurrently, self-employment in the arts is increasing.

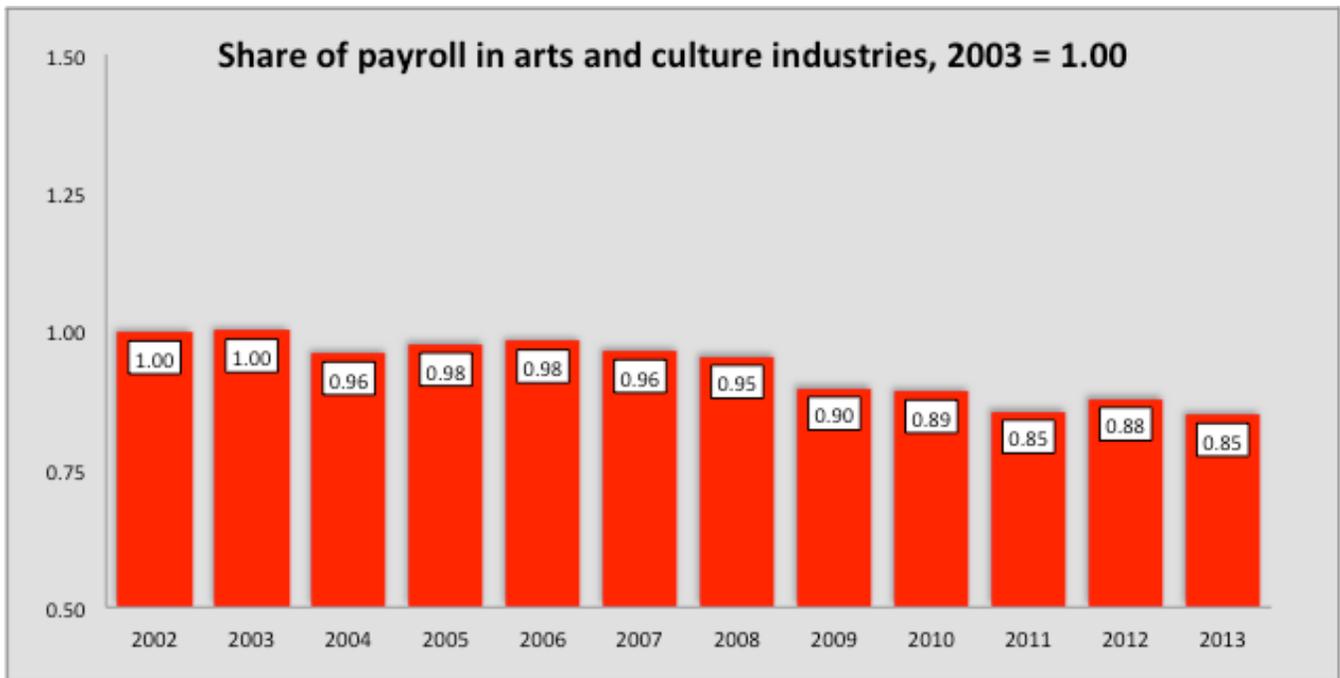


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Workers in all occupations (000)	127,524	127,568	128,127	130,308	132,605	134,354	135,185	130,648	127,097	128,279	130,288	130,288
Workers in 45 arts occupations (000)	1,401	1,438	1,564	1,566	1,591	1,652	1,661	1,686	1,576	1,569	1,587	1,590
Arts share of workers	1.10%	1.13%	1.22%	1.20%	1.20%	1.23%	1.23%	1.29%	1.24%	1.22%	1.22%	1.22%
Indexed to 2003 = 1.00	0.97	1.00	1.08	1.07	1.06	1.09	1.09	1.15	1.10	1.09	1.08	1.08

## 62. SHARE OF PAYROLL IN ARTS AND CULTURE INDUSTRIES

Payroll expenditure by employers in arts and culture industries (Indicator #3) gives a sense of scale—\$93 billion in 2013—but more information is needed to evaluate the impact of those dollars on the overall economy, including their weight in all employers’ payroll. To put them into a relative scale, they can be compared to total payrolls for all industries.

This indicator measures the arts and culture industries’ share of all industries’ payroll, defining arts and culture industries by the same set of 43 NAICS codes used to estimate numbers of employees and establishments (shown in Appendix A). This represented 1.95 percent of payroll in all industries in 2003, but trended down after that to 1.66 percent in 2011 and remained there through 2013, with a temporary increase in 2012. The arts share of payroll in all industries is consistently larger than the arts share of employees in all industries. This shows that while competition for arts employment is fierce, employees in arts industries earn a premium over those in other industries.

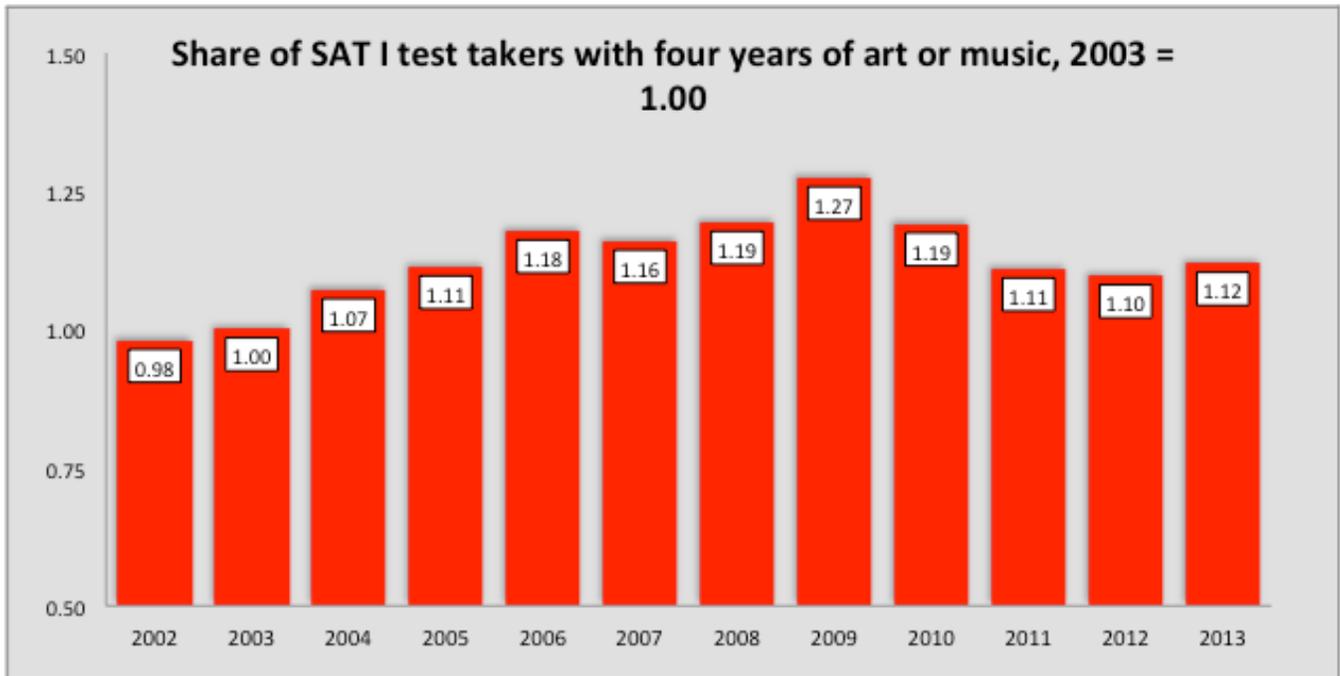


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Annual payroll in all industries (\$B)	3,943	4,041	4,254	4,483	4,793	5,027	5,131	5,027	4,941	5,165	5,414	5,622
Annual payroll in arts-related industries (\$M)	76,583	78,722	79,481	85,167	91,574	94,302	95,239	87,706	85,683	85,887	92,448	92,872
Arts share of payroll	1.94%	1.95%	1.87%	1.90%	1.91%	1.88%	1.86%	1.74%	1.73%	1.66%	1.71%	1.65%
Indexed to 2003 = 1.00	1.00	1.00	0.96	0.98	0.98	0.96	0.95	0.90	0.89	0.85	0.88	0.85

### 63. SHARE OF SAT TEST-TAKERS WITH 4 YEARS OF ART OR MUSIC

It is widely reported that art and music instruction in public education are declining because of competitive pressures from other subjects and the difficulty of obtaining necessary resources. Some evidence of the impact of these declines comes from the curriculum experience of students, as shown in the courses they have taken. For college-bound high school seniors, data on SAT test takers in the College Board’s annual *College-Bound Seniors* report provides this information. The reports show two years as the average length of time that a college-bound senior student takes art and/or music, a measure that is consistent from year to year.

This indicator measures the number of SAT test takers with four years of art and music as a share of all test takers who provide data on their curriculum experience. Those students were a growing percentage of college-bound seniors, reaching 20 percent in 2009, but then declining to 17.8 percent in 2013. This may be illustrating the impacts of reduced arts education in public and some private schools on college-bound seniors’ preparation.

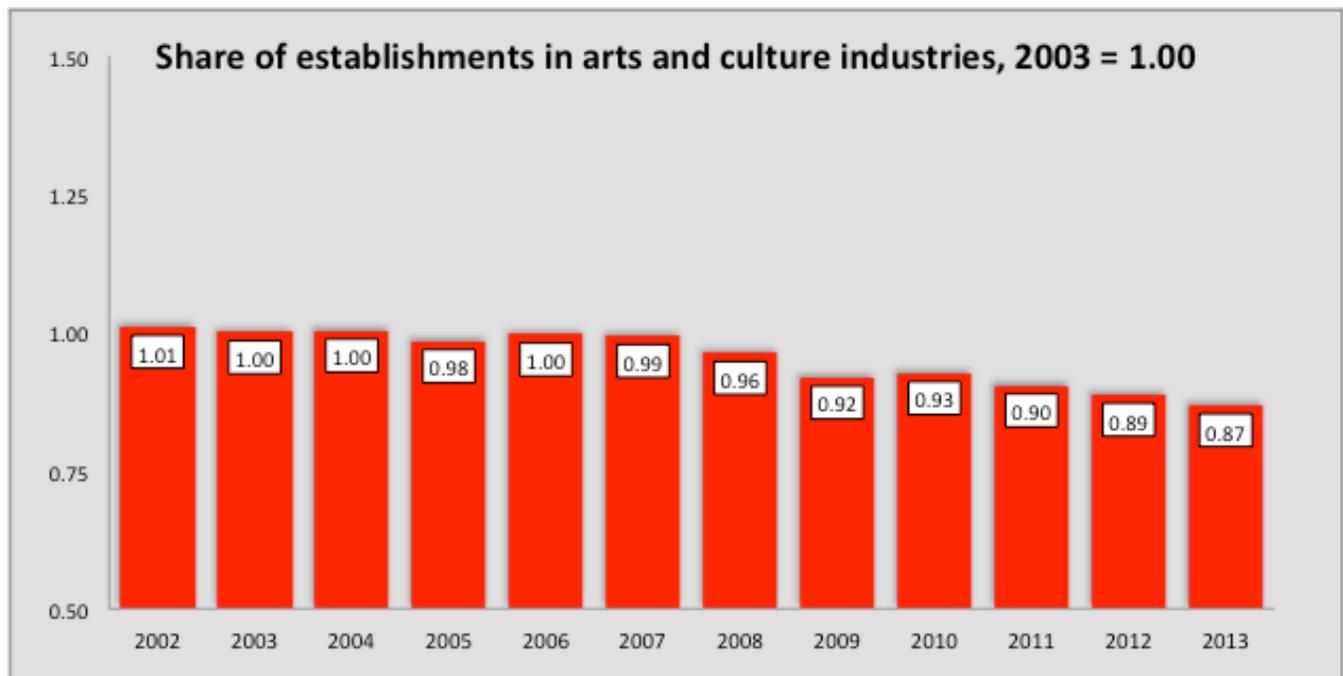


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Students with SAT I Scores (000)	1,327.83	1,402.32	1,419.01	1,502.62	1,465.74	1,494.53	1,518.86	1,530.13	1,547.99	1,647.12	1,664.48	1,660.05
Nonrespondents to questionnaire	321,635	420,014	355,708	299,236	292,105	290,815	358,820	265,355	264,320	325,825	398,707	416,995
SAT test takers with more than 4 years of art or music	82,151	72,892	66,604	66,391	60,672	61,851	58,647	63,211	87,857	109,589	108,916	106,446
SAT test takers with 4 years of art or music	156,470	156,012	180,813	212,535	219,380	221,509	219,705	255,744	242,564	232,553	220,299	220,815
SAT test takers with three years of art or music	118,596	116,890	124,662	135,116	136,059	143,180	142,841	169,767	169,760	173,726	167,492	162,798
SAT test takers with 2 years of art or music	177,813	176,403	195,854	220,644	218,816	225,460	227,788	269,190	270,096	276,130	264,606	259,995
SAT test takers with 1 year of art or music	273,148	272,238	297,924	327,658	327,202	338,727	321,390	321,979	317,607	324,420	306,887	297,560
SAT I test takers with one-half year or less of arts or music	198,018	187,875	197,442	241,043	211,510	212,989	189,668	184,882	195,876	204,610	197,572	195,438
Share of respondents test takers with 4 years of art or music	15.6%	15.9%	17.0%	17.7%	18.7%	18.4%	18.9%	20.2%	18.9%	17.6%	17.4%	17.8%
Indexed to 2003 = 1.00	0.98	1.00	1.07	1.11	1.18	1.16	1.19	1.27	1.19	1.11	1.10	1.12

## 64. SHARE OF ESTABLISHMENTS IN ARTS AND CULTURE INDUSTRIES

In a dynamic economy that mostly grows and sometimes contracts, the number of firms in a particular industry will change. Economic circumstances may favor one kind of company over another, and businesses continually enter and exit. From 1999 through 2007, there was an increase in the total number of arts and culture establishments that paralleled similar change in the broader economy (i.e., the total number of establishments grew in every industry). Newer information from 2008-13 shows some of the impact of the recession on the arts market place among all business establishments.

This indicator measures the share of all establishments that are in arts and culture industries (industries defined by the NAICS codes listed in Appendix A). While the recession had a negative impact on the share of arts establishments, it exacerbated an ongoing trend that began earlier in the decade. The arts share of establishments rose slightly in 2010, but dropped again to a new low point in 2013. It remains higher than the share of total employees in the same industries (usually about 1.6 percent to 1.8 percent). This reinforces the “small business” size of most arts organizations. In fact, the average arts and culture firm has fewer employees than the average business.

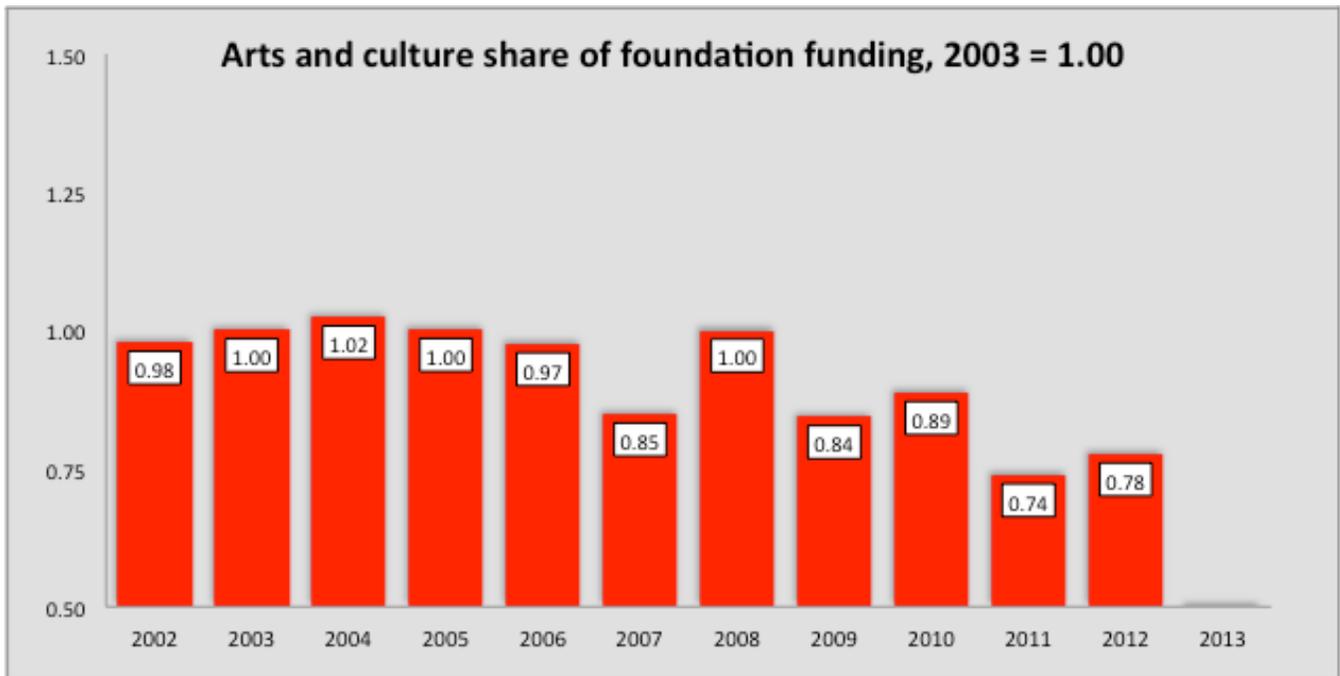


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Establishments in all industries (000)	7,201	7,255	7,388	7,500	7,601	7,705	7,601	7,705	7,397	7,350	7,432	7,488
Establishments in arts-related industries	216,995	216,480	221,107	220,185	225,880	228,377	218,328	211,081	204,375	198,344	196,723	193,961
Arts share of establishments	3.01%	2.98%	2.99%	2.94%	2.97%	2.96%	2.87%	2.74%	2.76%	2.70%	2.65%	2.59%
Indexed to 2003 = 1.00	1.01	1.00	1.00	0.98	1.00	0.99	0.96	0.92	0.93	0.90	0.89	0.87

## 65. ARTS AND CULTURE SHARE OF FOUNDATION FUNDING

Foundations that support the arts often support other nonprofit areas as well, such as human service, health, education, or the environment. Arts organizations, therefore, have to compete for foundation approval against these other worthy causes with their needs and demands for support.

This indicator measures foundation funding of arts and culture organizations as a share of all foundation funding. These data are from the Foundation Center's annual surveys of foundations. This survey summarizes nearly 150,000 grants of \$10,000 or more made by approximately 1,100 of the nation's largest foundations. Foundation funding thus showed some increase in 2012, compared to losses in corporate support. Along with the number of grants, Foundation dollar amounts increased from 2001 through 2012 only modestly, by six percent to \$2.2 billion, when measured in current dollars; this leads to a decrease of about 18 percent when adjusted for inflation. From 2001-06, the arts and culture share was fairly stable, but it was more erratic in recent years. In 2012, the arts received just 9.7 percent of foundation funding, up slightly over the 2011 figure which was the lowest share reported in the 13 years of the Index. This indicator could not be updated with 2013 data.

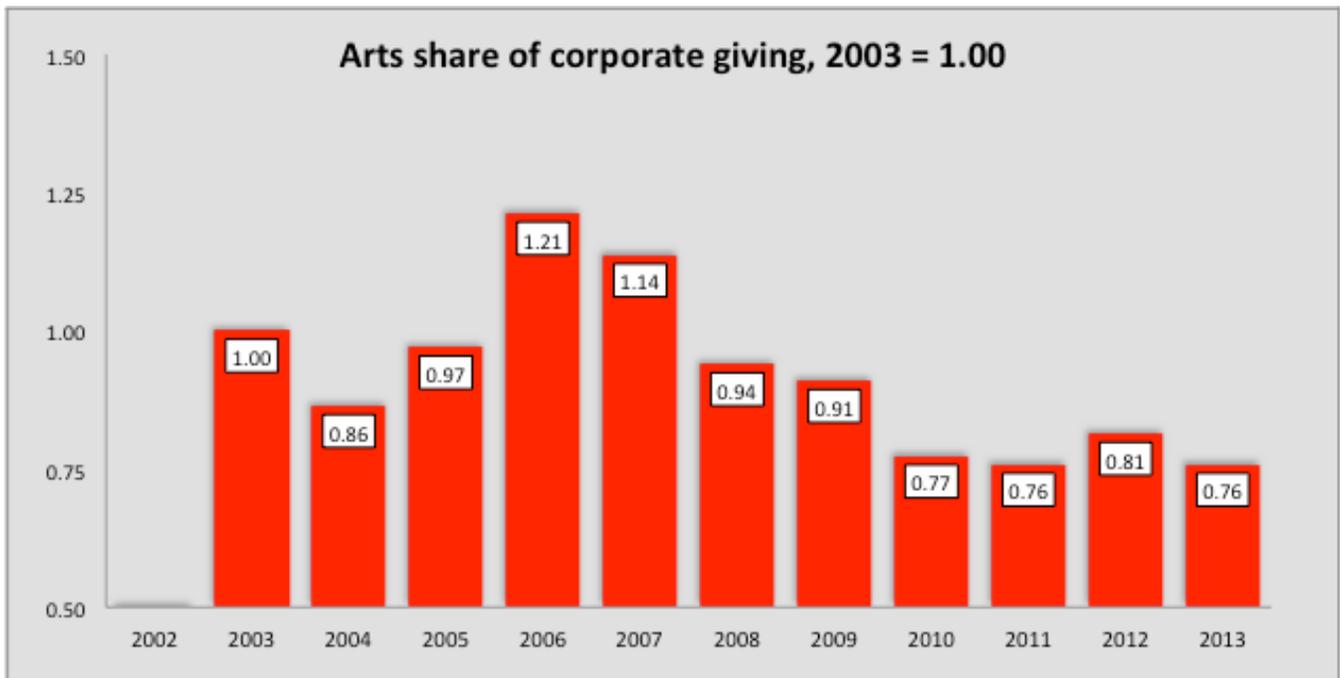


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total foundation grant dollars (\$M)	15,925	14,323	15,478	16,428	19,123	21,650	25,266	22,138	20,546	24,593	22,350	
Foundation arts and culture grants (\$M)	1,946	1,790	1,980	2,055	2,330	2,294	3,156	2,332	2,276	2,170	2,166	
Share of foundation giving to arts and culture	12.2%	12.5%	12.8%	12.5%	12.2%	10.6%	12.5%	10.5%	11.1%	9.2%	9.7%	
Indexed to 2003 = 1.00	0.98	1.00	1.02	1.00	0.97	0.85	1.00	0.84	0.89	0.74	0.78	N/D

## 66. ARTS AND CULTURE SHARE OF CORPORATE FUNDING

Corporate support of the nonprofit sector is a major piece of the financing puzzle, especially for large organizations. Corporate support is only one facet of overall business support, and innumerable small businesses support the arts in their communities. For many years, the Conference Board conducted studies of its corporate members' giving activities. The Committee Encouraging Corporate Philanthropy (CECP) serves major corporations with a principal purpose of enhancing the quantity and quality of corporate giving. The Conference Board ceased its independent study of corporate dollars and the arts share of corporate dollars (historical data is in Appendix F) and now partners with CECP on its corporate philanthropy research. The *2014 Giving in Numbers* report uses data for 2013 from 261 companies that include 62 of the Fortune 100.

This indicator measures the share of total philanthropy given to support arts, culture, and humanities by respondents to its annual member survey. From 2006 through 2013, arts support ranged from 5.0 to 8.0 percent of total corporate giving, with the same downward trend as seen in the Conference Board data. The most recent figures have fallen in the low end of that range

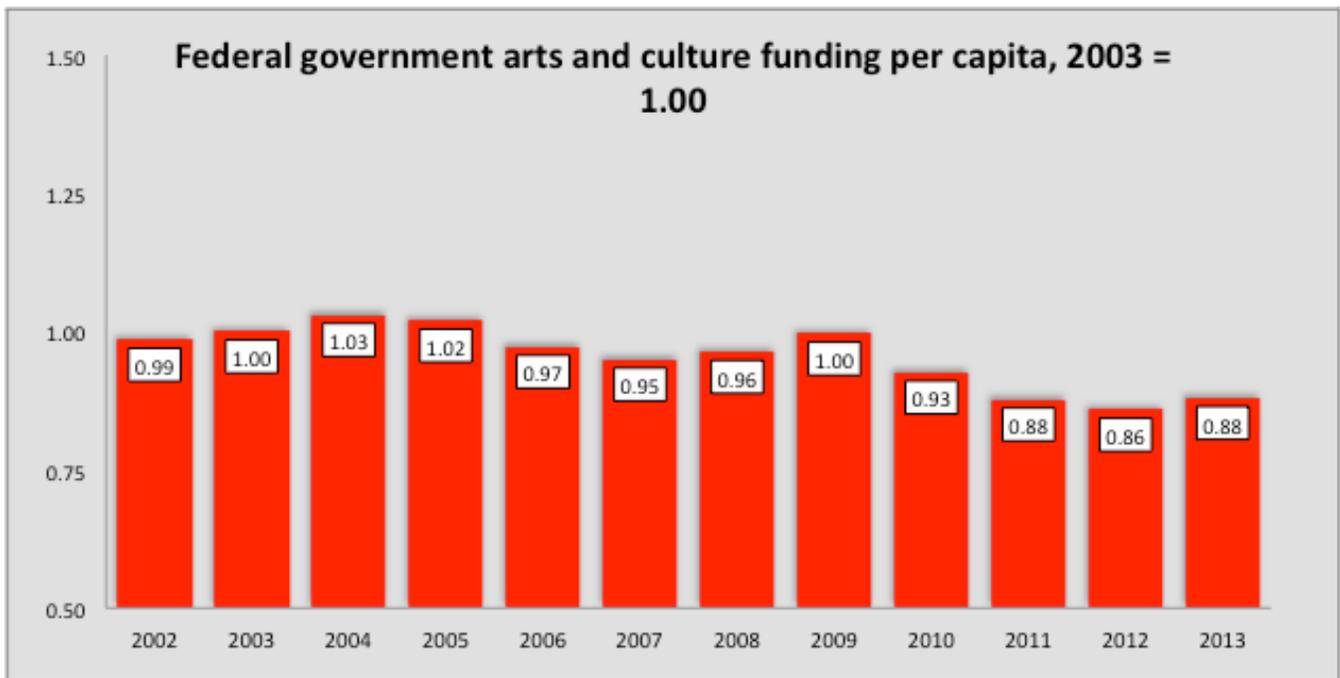


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Share of corporate giving to the arts from CECP		6.6%	5.7%	6.4%	8.0%	7.5%	6.2%	6.0%	5.1%	5.0%	5.4%	5.0%
Indexed to 2003 = 1.00	N/D	1.00	0.86	0.97	1.21	1.14	0.94	0.91	0.77	0.76	0.81	0.76

## 67. FEDERAL GOVERNMENT ARTS AND CULTURE FUNDING PER CAPITA

Government spending reaches the public through various funded programs and activities. Federal funds support various programs and offices, including: National Endowment for the Arts, National Endowment for the Humanities, Institute for Museum and Library Services, Corporation for Public Broadcasting, Smithsonian Institution, Holocaust Museum, National Gallery, and the Kennedy Center (see Indicator #15). Changes in funding sometimes do or do not account for population changes or inflation. Looking at arts spending on a *per capita* basis helps to show how government arts funding has kept up with the growing American population. While *per capita* measures do not show which segments of a population consume particular kinds of arts and culture, they are one measure of how much a particular government is willing to spend.

This indicator measures the provision of arts and culture funding by the federal government to every American. The arts largely maintained or grew their dollars in the fiscal environment through 2011 with an extra boost in 2009 from stimulus funds. Overall, this indicator peaked in 2004 at \$7.17, but dropped 13 percent to \$6.13 in 2013 in constant dollars. In the short run, there was a slight increase in 2013.

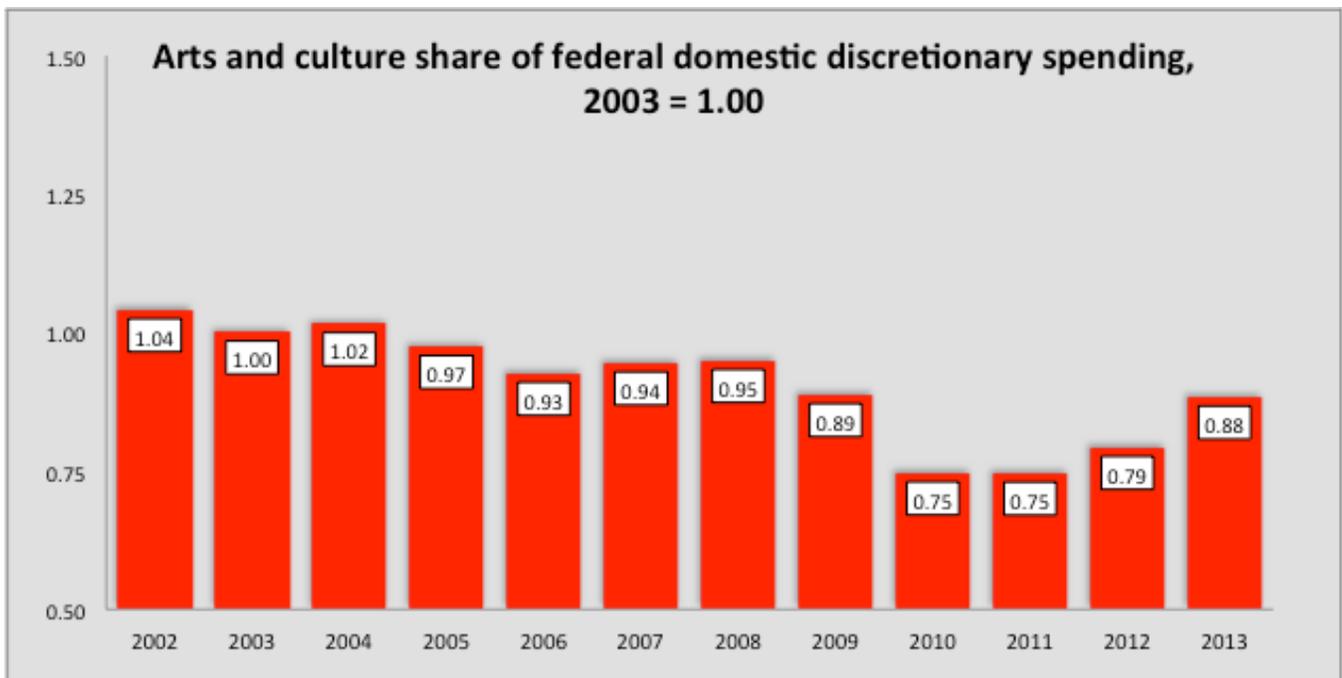


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total federal arts Spending (\$000)	1,525	1,598	1,705	1,762	1,751	1,776	1,888	1,962	1,870	1,839	1,856	1,938
U.S. population	287,804	290,326	293,046	295,753	298,363	301,580	304,375	307,007	309,629	311,592	314,914	316,129
Current dollar federal arts spending per capita	\$5.30	\$5.50	\$5.82	\$5.96	\$5.86	\$5.89	\$6.20	\$6.39	\$6.04	\$5.90	\$5.89	\$6.13
CPI at 2008 = 100.0	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5	106.6	100.0
Constant dollar federal arts spending per capita	\$6.34	\$6.44	\$6.63	\$6.57	\$6.27	\$6.11	\$6.20	\$6.41	\$5.96	\$5.65	\$5.53	\$6.13
Indexed to 2003 = 1.00	0.99	1.00	1.03	1.02	0.97	0.95	0.96	1.00	0.93	0.88	0.86	0.88

## 68. ARTS AND CULTURE SHARE OF FEDERAL DOMESTIC (NON-MILITARY) DISCRETIONARY SPENDING

Arts and culture competes for federal funding within the domestic (non-military) discretionary portion of the budget. Total federal government spending, both defense and domestic, grew significantly through the 2000s and 2010s. “Domestic” means that Congress does not allocate this money for any international use (whether foreign aid or military); “discretionary” means that it is money that Congress may choose how to allocate (as compared to mandated or entitlement spending).

This indicator measures total federal arts funding as a share of total federal domestic discretionary (FDD) spending. Total federal arts funding is as reported in Indicator #15, and total spending uses data from the Congressional Budget Office. From 2002 through 2010, total FDD spending grew by 68 percent in current dollars, while arts and culture funding failed to keep pace and grew by just 21 percent. Thus, the arts and culture share dropped from 0.42 percent in 2004 to 0.30 percent in 2010, stayed flat in 2011, but increased through 2013 (reaching 0.34 percent) as other federal outlays felt the effects of budget sequestration.

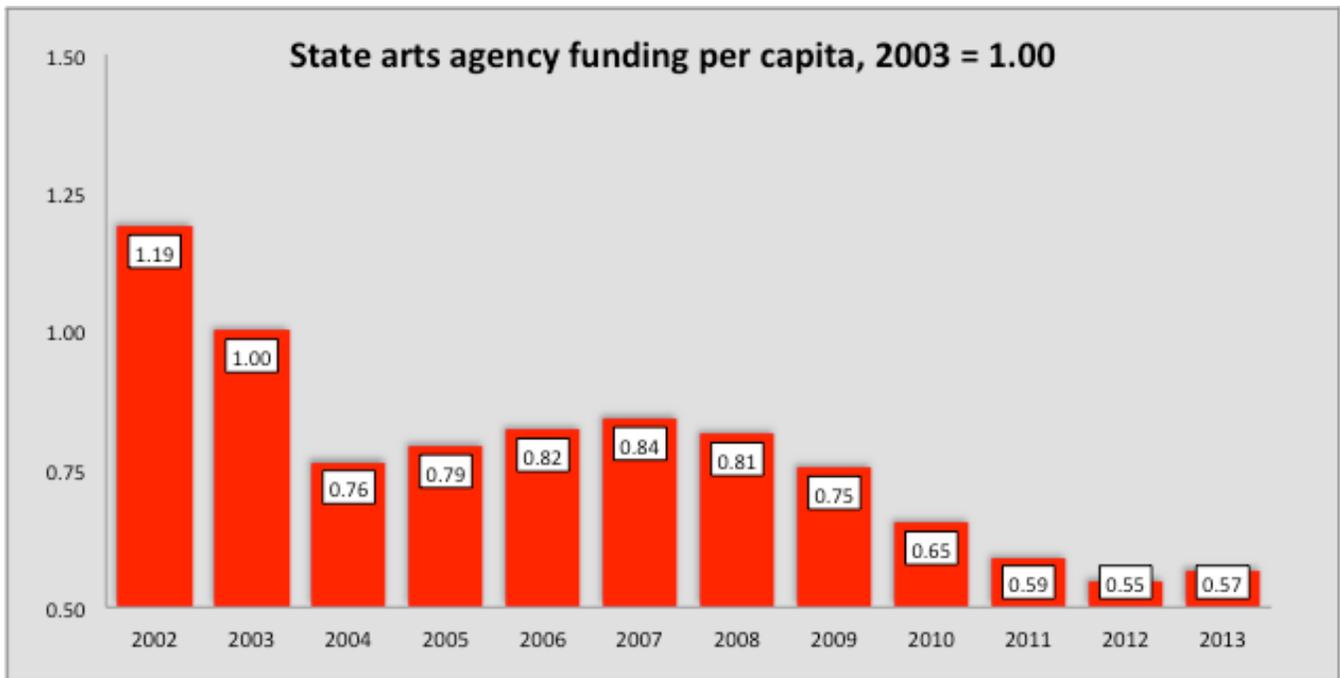


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total federal arts spending (\$000)	1,525,486	1,597,626	1,705,139	1,761,689	1,750,583	1,775,530	1,887,650	1,962,031	1,869,536	1,838,579	1,856,271	1,937,618
Federal discretionary domestic spending (\$B)	385.0	419.4	441.0	474.9	496.7	493.7	522.4	580.8	658.3	647.7	616	576
Percentage of FDD on select arts programs	0.40%	0.38%	0.39%	0.37%	0.35%	0.36%	0.36%	0.34%	0.28%	0.28%	0.30%	0.34%
Indexed to 2003 = 1.00	1.04	1.00	1.02	0.97	0.93	0.94	0.95	0.89	0.75	0.75	0.79	0.88

## 69. STATE ARTS AGENCY FUNDING PER CAPITA

In states, just as at the federal level, arts spending *per capita* helps show how state funds reach citizens. State allocations in dollars as shown in Indicator #16, use data from the National Assembly of State Arts Agencies. How they are distributed to serve each state's people is a matter of individual state policies. The amount per capita, however, can be a measure of how those funds are being applied.

This indicator measures constant dollar per capita funding by states. It shows the relationship between total state legislative appropriations to all state arts agencies on the one hand, and total U.S. population on the other. State arts funding is volatile, whether rising or falling. Population, on the other hand, has grown in almost every part of the country. The measure is calculated by dividing total state legislative arts appropriations by total U.S. population. After rising from the late 1990s through 2001, per capita state support dropped sharply through 2004, and then gradually grew through 2007. It dropped below \$1.00 for the first time in 2011, and was \$0.85 per person in 2013 (all in 2013 constant dollars).

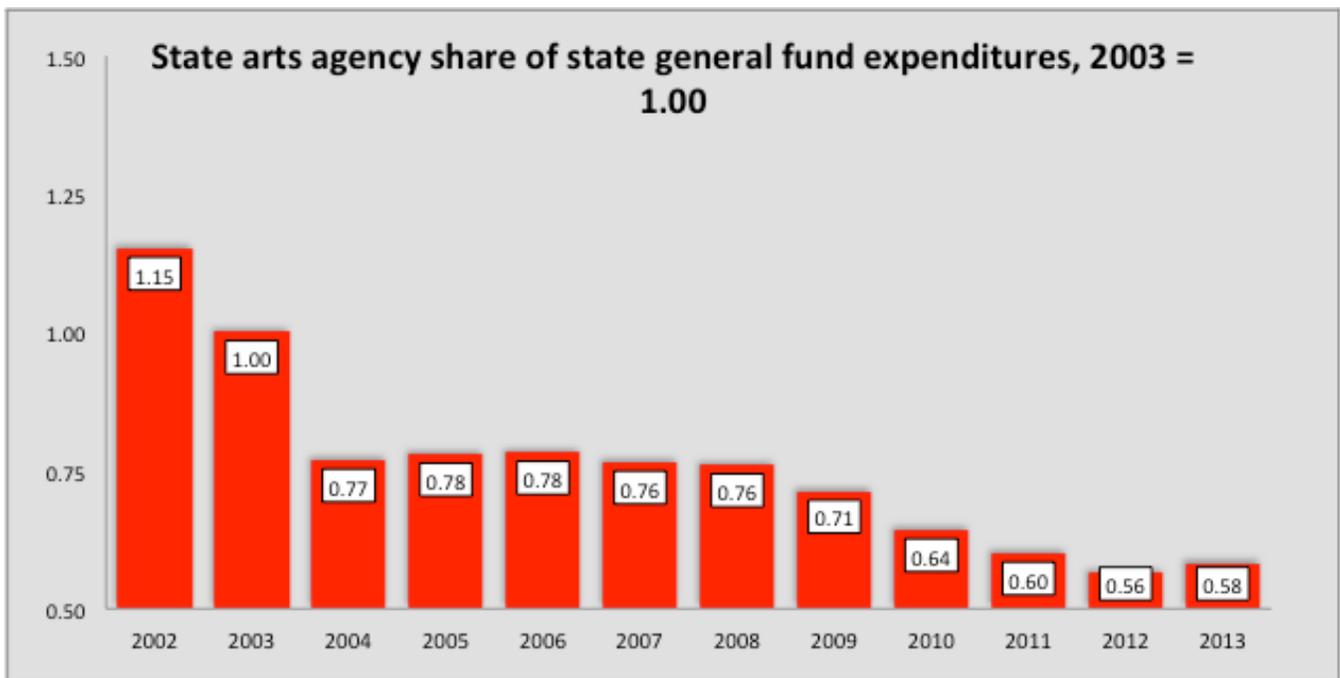


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
State arts agency legislative appropriations (\$M)	409,725	355,673	280,990	304,209	328,859	350,122	354,746	329,801	293,200	273,957	263,032	277,493
CPI at 2008 = 100.0	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5	106.6	100.0
Constant dollar state funding of state arts agencies (\$M)	490,349	416,176	320,260	335,362	351,207	363,561	354,746	330,974	289,494	262,218	246,660	277,493
U.S. population (000)	287,804	290,326	293,046	295,753	298,363	301,580	304,375	307,007	309,629	311,592	314,914	316,129
Constant dollar state arts expenditure per capita	\$1.70	\$1.43	\$1.09	\$1.13	\$1.18	\$1.21	\$1.17	\$1.08	\$0.93	\$0.84	\$0.78	\$0.88
Indexed to 2003 = 1.00	1.19	1.00	0.76	0.79	0.82	0.84	0.81	0.75	0.65	0.59	0.55	0.57

## 70. STATE ARTS AGENCY SHARE OF STATE GENERAL FUND EXPENDITURES

The success of the arts at the state level—like at all levels of government—is part of a political process. Like all budgetary allocations, state arts agency funding depends on state legislators and appointed officials who allocate funds to the arts, as well as to other public services that compete for money.

This indicator measures the share of general fund appropriations for state arts agencies as a share of all state general fund appropriations. While it would also be helpful to consider similar measures for state humanities councils, museums, or other related programs, those data are not available. Arts agency funding as a share of total state general fund spending peaked in 2001 at 0.089 percent, and declined steadily until 2012, when it was less than half of the earlier 2001 peak. In 2013, less than half of one percent of general state spending went to arts councils.

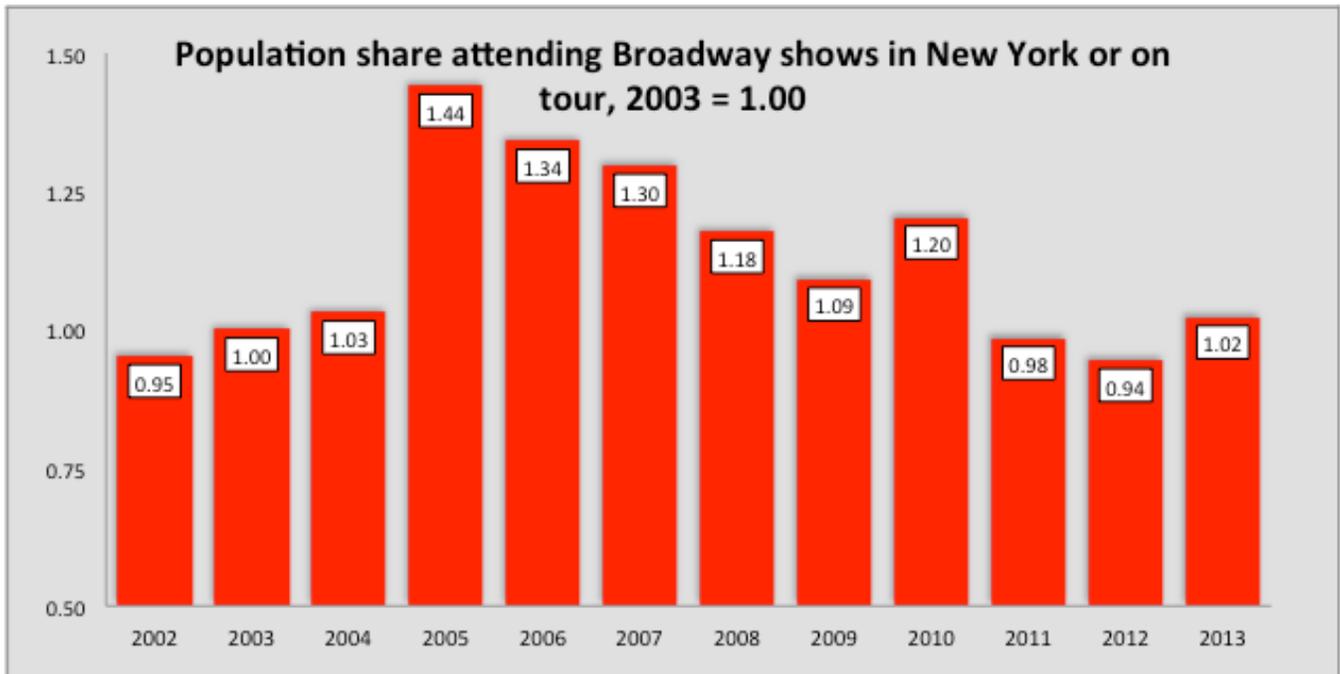


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Aggregate state general fund expenditures (\$B)	508,618	508,290	522,869	558,280	601,107	654,676	667,692	689,100	689,100	652,900	666,553	681,345
State arts agency legislative appropriations (\$000)	409,725	355,673	280,990	304,209	328,859	350,122	354,746	343,117	293,200	273,958	263,031	277,493
State arts agency share of total state budget	0.081%	0.070%	0.054%	0.054%	0.055%	0.053%	0.053%	0.050%	0.045%	0.042%	0.039%	0.041%
Indexed to 2003 = 1.00	1.15	1.00	0.77	0.78	0.78	0.76	0.76	0.71	0.64	0.60	0.56	0.58

## 71. POPULATION SHARE ATTENDING BROADWAY SHOWS IN NEW YORK CITY OR ON TOUR

The separate indicators for attendance at Broadway performances in New York City or on tour (indicators #46 and #47) indicate total demand for Broadway performances. What they do not answer directly is the issue how demand is changing relative to increases in the market population.

This indicator measures total attendance at all New York and touring Broadway performances, measured by the Broadway League, as a share of the total U.S. population. Attendance at touring Broadway shows historically made up the majority of the total audience, though the difference between the two audience populations was reversed in 2013. The net effect was to increase the indicator in 2013 over 2012. However, there have been persistent declines since 2005, interrupted by a rebound in 2010.

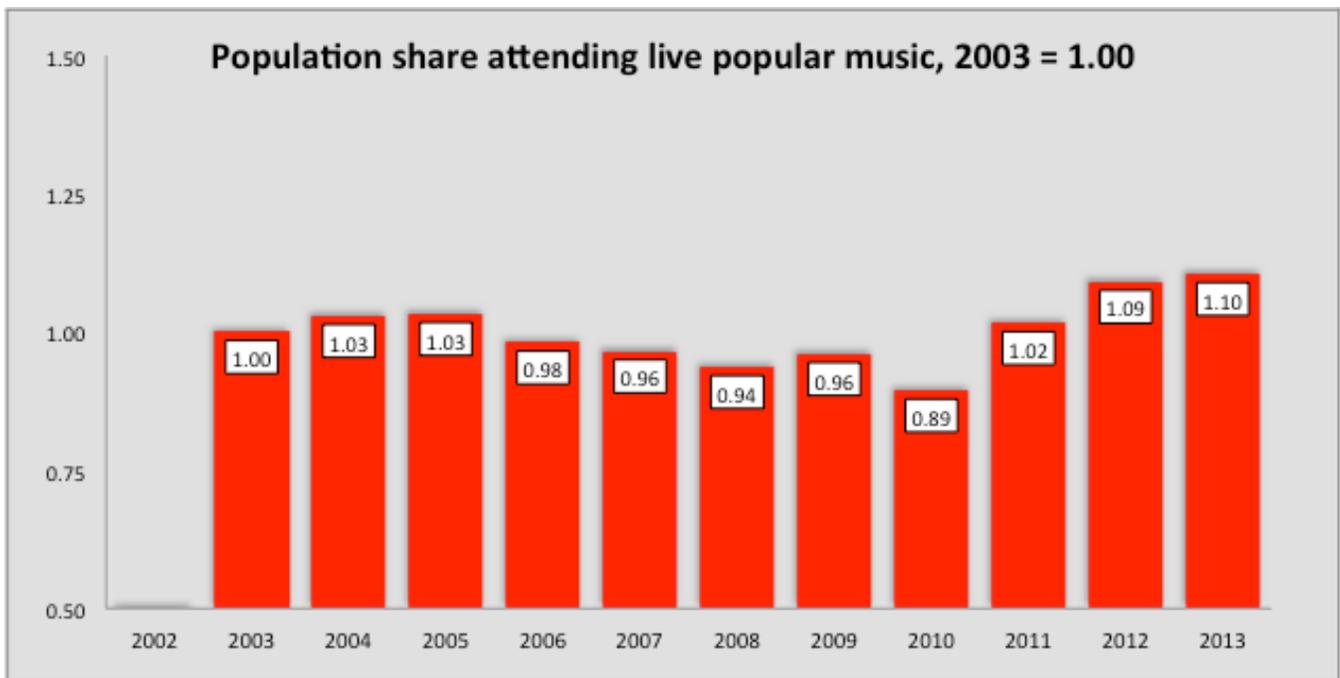


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
NYC Attendance (000)	10,955	11,423	11,605	11,527	12,003	12,312	12,267	12,250	11,890	12,530	12,330	11,570
Touring Attendance (000)	11,700	12,400	12,900	18,200	17,100	16,700	15,300	14,300	15,900	13,100	12,700	13,800
Total Attendance (000)	22,655	23,823	24,505	29,727	29,103	29,012	27,567	26,550	27,790	25,630	25,030	25,370
U.S. population (000)	287,804	290,326	293,046	295,753	298,363	301,580	304,375	307,007	309,629	311,592	314,914	316,129
Total Attendance as a percentage of total population	4.1%	4.3%	4.4%	6.2%	5.7%	5.5%	5.0%	4.7%	5.1%	4.2%	4.0%	4.4%
Indexed to 2003 = 1.00	0.95	1.00	1.03	1.44	1.34	1.30	1.18	1.09	1.20	0.98	0.94	1.02

## 72. POPULATION SHARE ATTENDING LIVE POPULAR MUSIC

Scarborough Research collected data on arts attendance by adult residents in 81 metropolitan areas in 2013. The populations of those regions, comprised of about 75 percent of total U.S. population, have been growing along with the general population. Scarborough data include not only the numbers attending events, but also the market penetration or percentage share of adults engaging in that activity.

This indicator measures the share of that surveyed population (estimated to be about 239 million) that has attended one or more popular music events. In all, between 20 to 25 percent of metro area adults have attended one or more such concert events. Unlike measures based on producers' attendance counts, this indicator refers to separate individuals who indicated they went to one or more music event, so this is a relatively clear population share. Following a sharp drop in 2010, increases from 2011 through 2013 brought this measure back to new peaks.

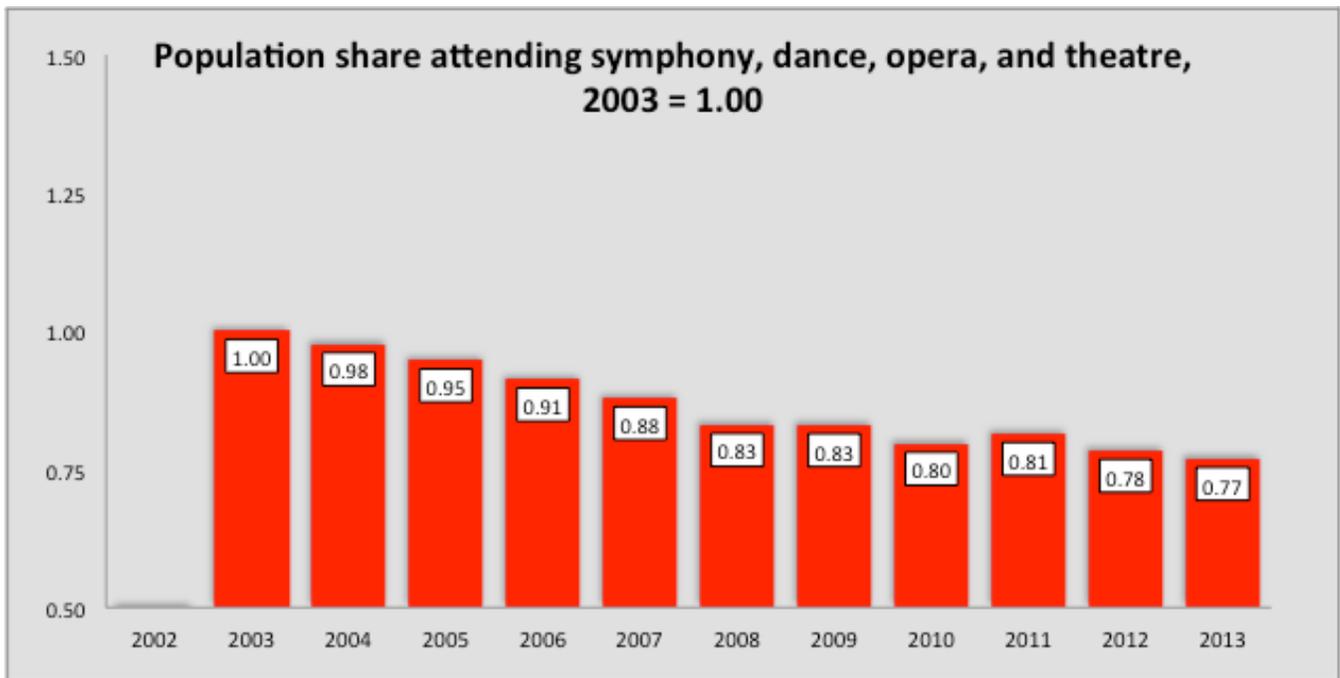


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total live popular music (000)		48,579	50,742	51,818	49,758	49,513	48,657	50,419	47,358	54,298	58,667	59,436
Total surveyed population (000)		213,638	216,884	220,698	223,086	225,650	228,481	230,975	232,961	235,017	236,611	236,611
Share of surveyed adults in 81 metropolitan areas attending live popular music event		22.7%	23.4%	23.5%	22.3%	21.9%	21.3%	21.8%	20.3%	23.1%	24.8%	25.1%
Indexed to 2003 = 1.00	N/D	1.00	1.03	1.03	0.98	0.96	0.94	0.96	0.89	1.02	1.09	1.10

### 73. POPULATION SHARE ATTENDING SYMPHONY, OPERA, DANCE, OR THEATER

For many decades, the performing arts have been associated especially strongly with the fields of dance, opera, symphony, and theatre. For this reason, it helps to understand the overall vitality of arts and culture by looking at attendance at these four art forms collectively as well as individually. These kinds of programs are typically presented by nonprofit entities that are often influential not only for their performing arts forms, but also serve as important cultural institutions. Scarborough Research gathers data on attendance at events in these forms in 81 metropolitan areas that comprise about 75 percent of the entire U.S. population.

This indicator includes adults who attend specifically “Live theatre;” “Dance or ballet” or “Symphony Concert, opera, etc.” as a share of all adults. The numerator in this indicator is the estimate in Indicator #49 (i.e., the sum of Scarborough’s estimates of attendance at these performing arts events), and the denominator is Scarborough’s estimate of the total adult population. Certainly, there is some double counting among all of these measures, as audience members for one genre may well be devotees of others as well—and may also engage in the arts in other ways, such as attending other kinds of performances or visiting museums. Scarborough estimates that in 2013, 31 percent of the adult population attended a performing arts event. This is a serious decline since 2003 when 40 percent of the adult population attended a live performing arts event.

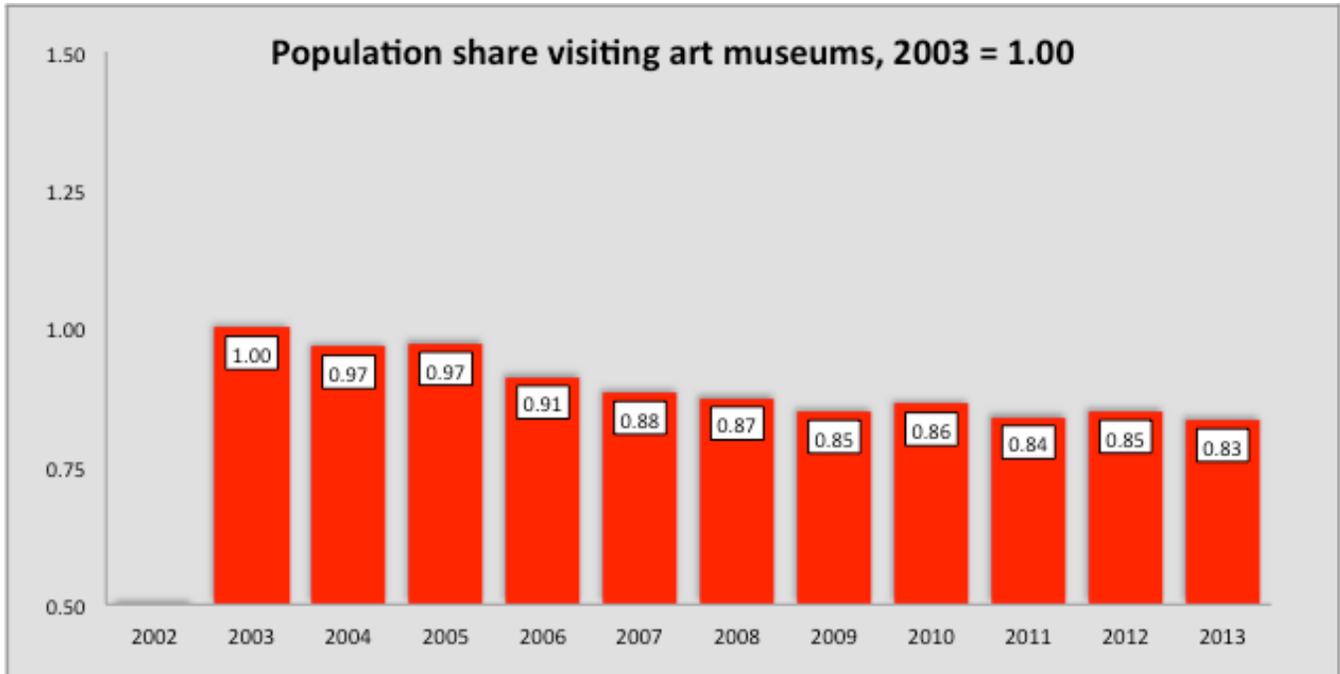


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total live performing arts attendance (000)		86,376	85,596	84,475	82,280	80,134	76,678	77,486	74,980	77,333	74,940	73,541
Total surveyed adult population (000)		213,638	216,884	220,698	223,086	225,650	228,481	230,975	232,961	235,017	236,611	236,611
Share of surveyed adults in 81 metropolitan areas attending symphony, dance, opera, or theatre.		40.4%	39.5%	38.3%	36.9%	35.5%	33.6%	33.5%	32.4%	34.6%	31.7%	31.1%
Indexed to 2003 = 1.00	N/D	1.00	0.98	0.95	0.91	0.88	0.83	0.83	0.80	0.81	0.78	0.77

## 74. POPULATION SHARE VISITING ART MUSEUMS

Scarborough Research provides data on various forms of arts participation in 81 metropolitan areas. As is true for concert and theatre attendance, total art museum attendance can be evaluated as a share of the population base. In this case, that is the population of the metropolitan markets where Scarborough gathers data.

This indicator measures the share of adult respondents to Scarborough's total survey base that visited an art museum at least once in the prior 12 months. The long term trend is one of decline; Scarborough data show that the share of total population visiting art museums shrank from 15.5 percent in 2003 to 12.9 percent in 2013.

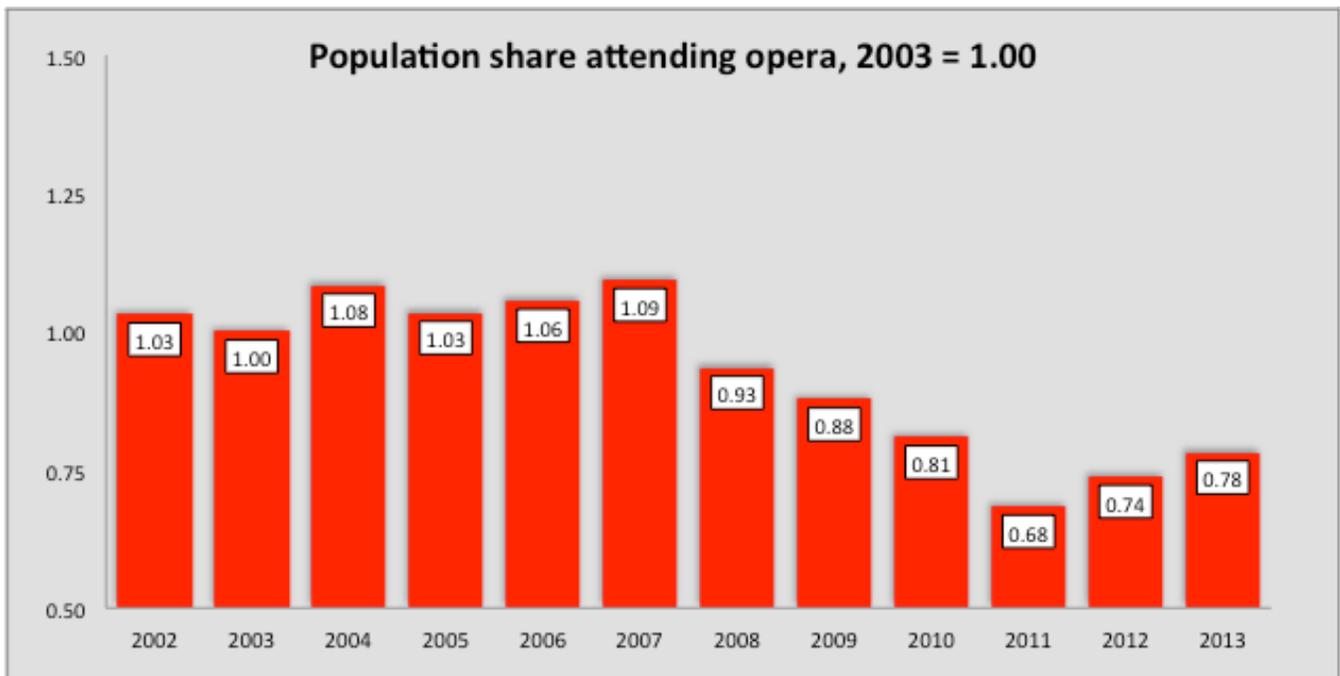


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total art museum attendance (000)		33,070	32,413	33,190	31,449	30,829	30,863	30,333	31,090	30,506	31,085	30,511
Total surveyed adult population (000)		213,638	216,884	220,698	223,086	225,650	228,481	230,975	232,961	235,017	236,611	236,611
Share of surveyed adults in 77 metropolitan markets visiting art museum		15.5%	14.9%	15.0%	14.1%	13.7%	13.5%	11.5%	13.3%	13.0%	13.1%	12.9%
Indexed to 2003 = 1.00	N/D	1.00	0.97	0.97	0.91	0.88	0.87	0.85	0.86	0.84	0.85	0.83

## 75. POPULATION SHARE ATTENDING OPERA

Opera, like other performing arts activities, competes for audience share with other performing arts, different types of participation, and other forms of leisure. Just as for Broadway, nonprofit theatre, popular music, and symphony, the share of population attending performances of a particular art form is a useful measure of its competitive performance.

This indicator takes total attendance at mainstage performances by opera companies responding to the Opera America Professional Opera Survey, and divides it by the total U.S. population for a “market share” of the U.S. population’s perspective on opera. Audiences from 2000 made up about 1.4 percent of the population, but opera has since experienced progressively smaller shares, slipping below one percent in 2009, and farther still in 2010 and 2011 before growing in 2012 and 2013. It is worth noting, however, that overall audiences for opera have grown through the world-wide simulcasts of Metropolitan Opera performances. These events draw millions of audience members who enjoy and appreciate opera through a technological interface rather than in-person; attendance at these events are not included in this indicator.

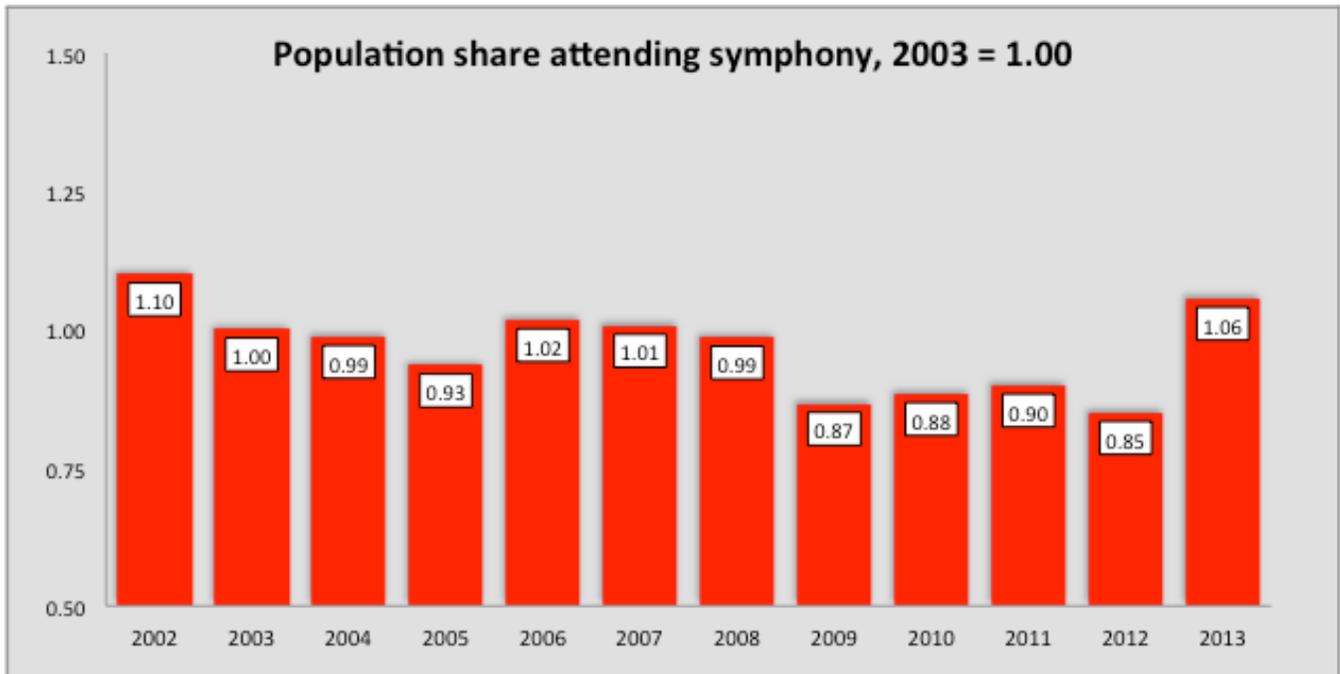


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Professional opera attendance (000)	3,211	3,142	3,436	3,309	3,411	3,568	3,078	2,914	2,710	2,304	2,514	2,673
Population (000)	287,804	290,326	293,046	295,753	298,363	301,580	304,375	307,007	309,629	311,592	314,914	316,129
Opera attendance as share of population	1.12%	1.08%	1.17%	1.12%	1.14%	1.18%	1.01%	0.95%	0.88%	0.74%	0.80%	0.85%
Indexed to 2003 = 1.00	1.03	1.00	1.08	1.03	1.06	1.09	0.93	0.88	0.81	0.68	0.74	0.78

## 76. POPULATION SHARE ATTENDING SYMPHONY

As with all other kinds of attendance, audiences at symphony performances choose that form of leisure activity as a way to use their time among many competing alternatives. Looking at how many people make this choice is similar to calculating the market share that symphony occupies, compared to people’s other activities that compete for their time, money, and interest.

This indicator takes total attendance at symphony orchestra concerts, provided by the League of American Orchestras and reported in Indicator #53, and divides it by total U.S. population, to give a “market share” view. In the late 1990s, this share was over 12 percent, but it has since declined. Symphony share, however, increased overall from 2010 to 2013, reaching about ten percent.

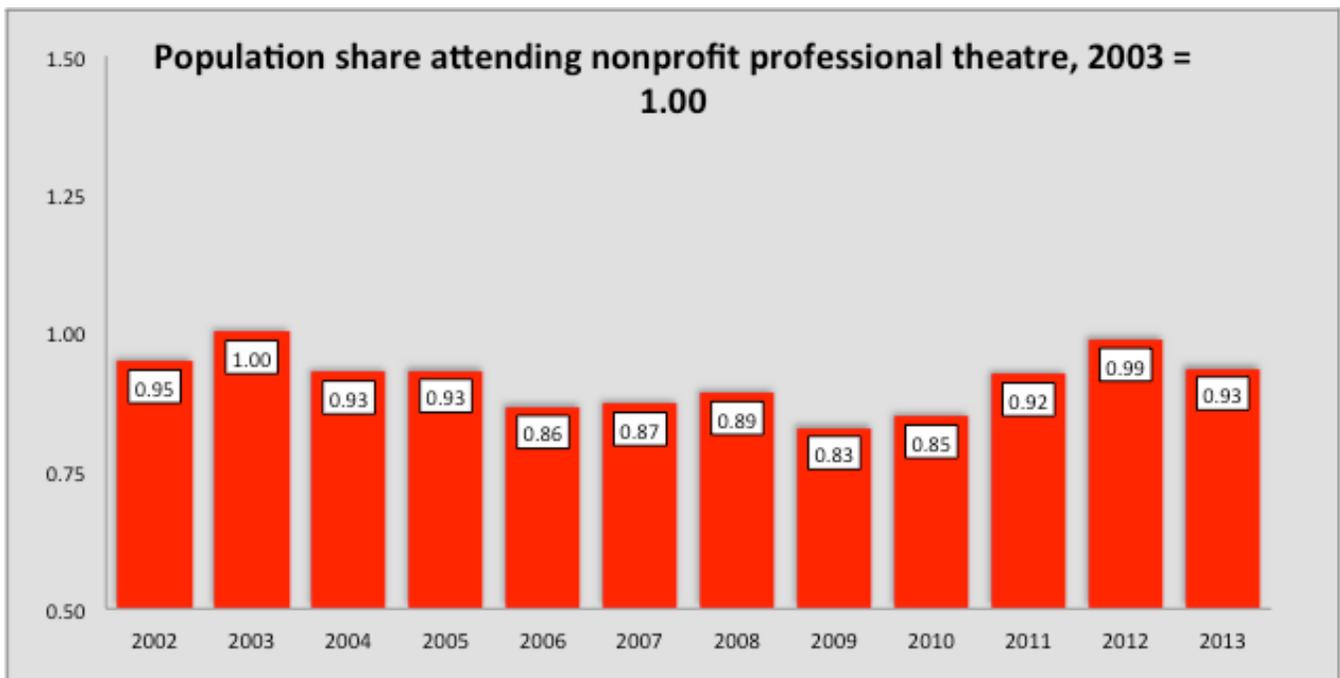


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total symphony attendance (000)	30,305	27,802	27,683	26,471	29,070	29,070	28,718	25,443	26,183	26,812	25,603	31,956
U.S. Population (000)	287,804	290,326	293,046	295,753	298,363	301,581	304,375	307,007	309,629	311,592	314,914	316,129
Symphony attendance population share	10.5%	9.6%	9.4%	9.0%	9.7%	9.6%	9.4%	8.3%	8.5%	8.6%	8.1%	10.1%
Indexed to 2003 = 1.00	1.10	1.00	0.99	0.93	1.02	1.01	0.99	0.87	0.88	0.90	0.85	1.06

## 77. POPULATION SHARE ATTENDING NONPROFIT PROFESSIONAL THEATRE

As with all other kinds of attendance, theatre audiences are making their own choice, to attend the theatre instead of one or more other competing ways to spend time. The share of the potential marketplace that actually participates in theatre provides evidence of trends in demand.

This indicator takes total attendance at nonprofit professional theatre, as estimated by Theatre Communications Group, and divides it by total U.S. population. Because some patrons make repeat visits to the theatre, the total attendance number (all tickets sold) is greater than the number of people who attend. Theatre was relatively successful at sustaining market share in difficult market conditions, and 2011 and 2012 saw attendance rising faster than population. In 2013, attendance slipped from the prior year, amounting to more than 11 percent of the U.S. population.

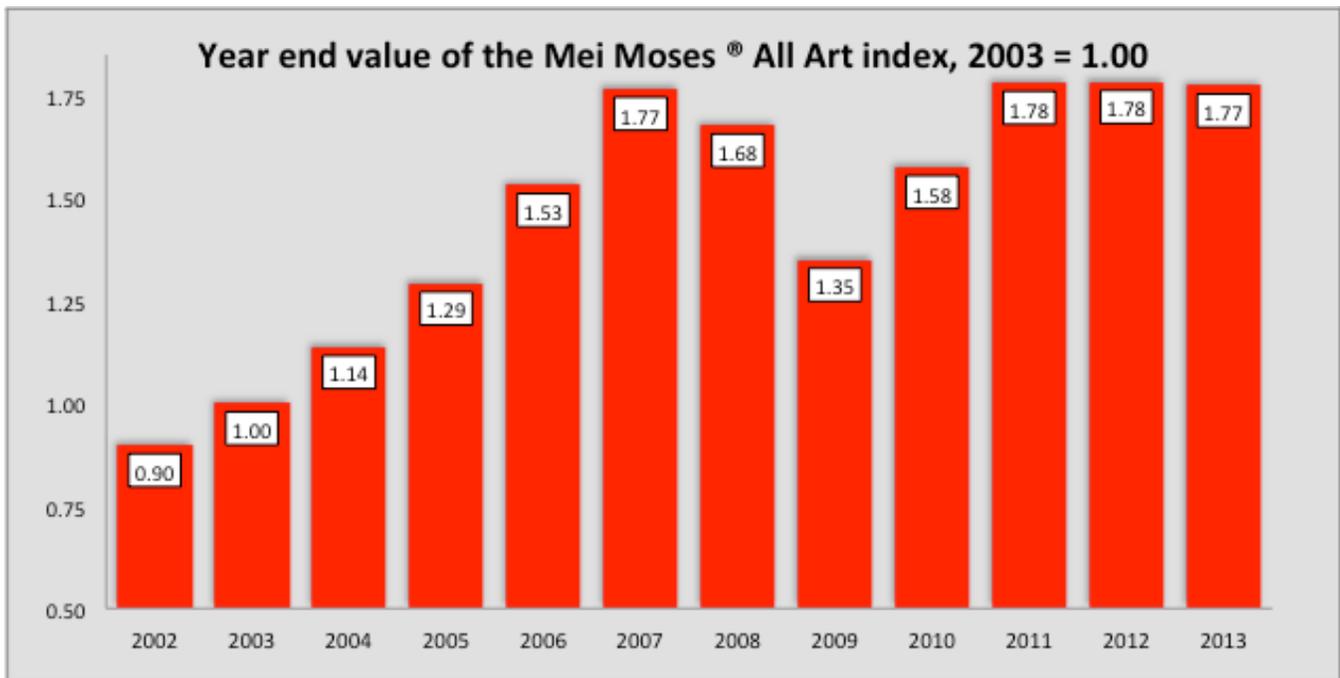


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total theatre attendance (000)	32,200	34,300	32,100	32,500	30,500	31,000	31,000	30,000	30,000	34,000	36,700	34,900
Population (000)	287,804	290,326	293,046	295,753	298,363	301,580	304,375	307,007	309,629	311,592	314,914	316,129
Symphony attendance population share	11.2%	11.8%	11.0%	11.0%	10.2%	10.3%	10.2%	9.8%	9.7%	10.91%	11.65%	11.04%
Indexed to 2003 = 1.00	0.95	1.00	0.93	0.93	0.86	0.87	0.89	0.83	0.85	0.92	0.99	0.93

## 78. YEAR-END VALUE OF THE MEI MOSES® ALL ART INDEX

The health of the market for art as an investment or collectible can be tracked in similar ways to how the markets for other valuable assets, like stocks or bonds, are tracked. One such system for evaluating the performance of the art market is the Mei-Moses® Art Index, which tracks the prices of successive sales of the same pieces in New York and world art markets. As in some other art forms, such as Broadway plays and musicals, New York has an especially strong influence on the national arts scene in specific disciplines, and it is the largest national market place for art sales. The Index is based on analysis of 16,000 art sales dating back to 1925. It was first issued in 2001 and has been updated annually since then by Beautiful Asset Advisors® LLC.

This indicator (included with permission) shows the value of the Mei-Moses® Art Index set to a value of 1996=1.0. Even when it is adjusted to the National Arts Index base year of 2003, this indicator shows that art returns almost doubled between 2001 and 2007, before decreasing (like many other indicators) in 2008 and 2009. There was a significant rebound in 2010 and 2011, bringing the Index back to its pre-recession levels. In the very long term (i.e., since 1958), Mei-Moses® shows that art has generated investment returns as high as the Standard & Poor’s 500 Stock Index—a 100-fold increase. It is easy to see from the chart that it is historically a volatile measure, with asset values growing and shrinking rapidly. That being said, the 2013 Mei-Moses Index was very stable from 2011 through 2013.

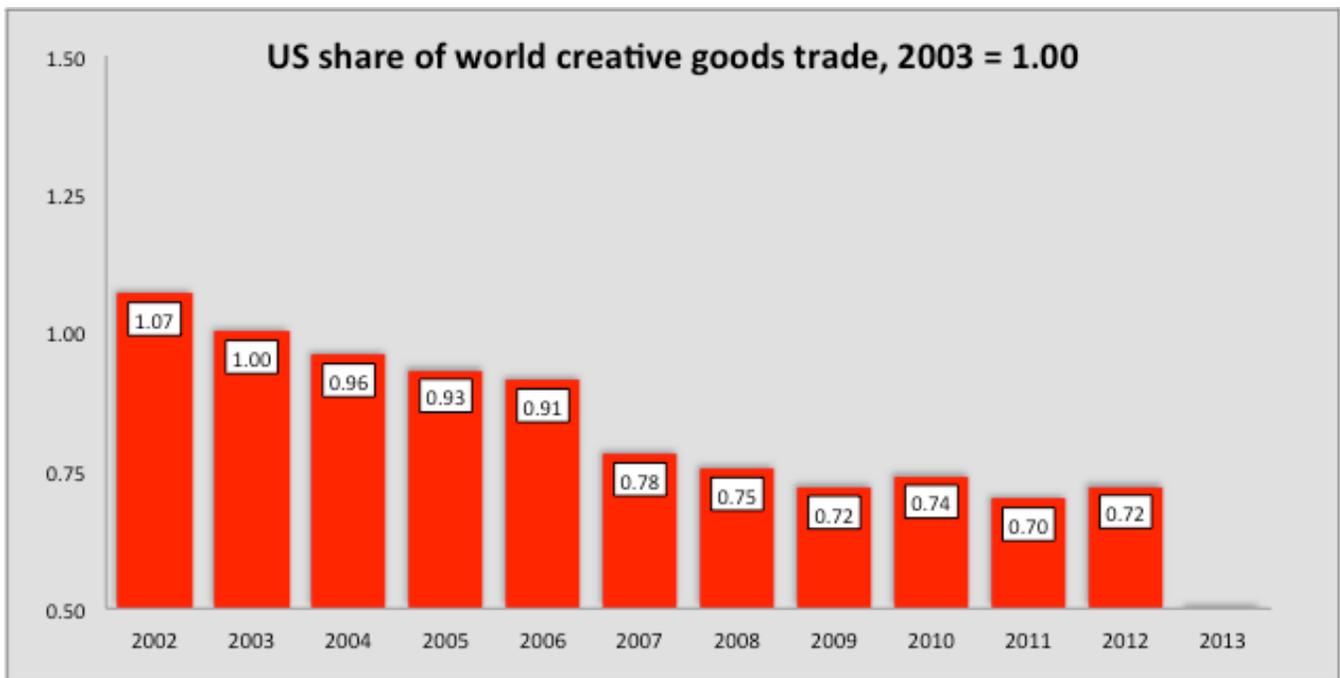


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Year-end value of the Mei Moses® All Art Index	1.352	1.506	1.712	1.946	2.307	2.661	2.526	2.033	2.373	2.683	2.686	2.673
Indexed to 2003 = 1.00	0.90	1.00	1.14	1.29	1.53	1.77	1.68	1.35	1.58	1.78	1.78	1.77

## 79. U.S. SHARE OF WORLD CREATIVE GOODS TRADE

Foreign trade is a dynamic marketplace for American arts and culture products. In an environment of global exchange of ideas, artists, images, sounds, and experiences, American cultural products have made a significant impact on world trade in creative goods. Reciprocally, though at a lower level, Americans have imported cultural products from outside the U.S. Each of these flows (exports and imports) can be looked at relative to overall global trade in creative products.

This indicator measures the U.S. share of world creative goods trade using data from the United Nations Conference on Trade and Development (UNCTAD). This is done by computing the shares of U.S. goods in exports and imports separately, and summing the two. Overall, America's role in global cultural trade declined steadily from 2002 through 2009, and then rebounded through 2012. From 2011 to 2012, there were increases in the U.S. share of both imports and exports. This indicator could not be updated with 2013 data.

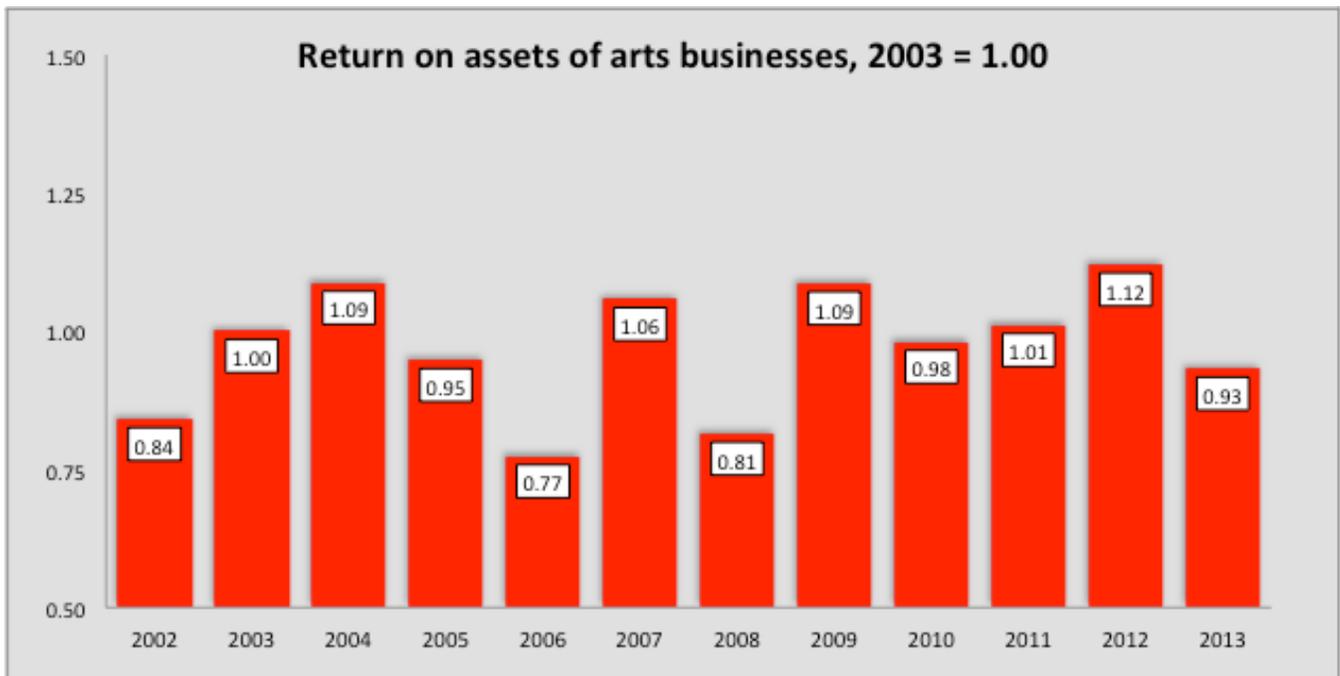


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
U.S. creative goods exports (\$B)	52,188	54,916	60,675	65,145	68,443	66,135	70,821	60,021	69,024	75,960	75,338	
World creative goods exports (\$B)	198,240	223,795	259,047	287,517	313,108	364,423	417,285	375,306	416,323	489,814	473,791	
U.S. share of world creative goods exports	26.3%	24.5%	23.4%	22.7%	21.9%	18.1%	17.0%	16.0%	16.6%	15.5%	15.9%	
U.S. creative goods imports (\$B)	14,485	15,162	16,780	18,421	20,477	23,045	27,150	22,714	25,243	27,064	27,070	
World creative goods imports (\$B)	220,078	242,420	276,254	308,093	328,634	395,234	438,496	369,880	410,074	453,413	431,703	
U.S. share of world creative goods imports	6.6%	6.3%	6.1%	6.0%	6.2%	5.8%	6.2%	6.1%	6.2%	6.0%	6.3%	
U.S. share of world creative goods trade	32.9%	30.8%	29.5%	28.6%	28.1%	24.0%	23.2%	22.1%	22.7%	21.5%	22.2%	
Indexed to 2003 = 1.0	1.07	1.00	0.96	0.93	0.91	0.78	0.75	0.72	0.74	0.70	0.72	N/D

## 80. RETURN ON ASSETS OF ARTS BUSINESSES

There is more than one measure of financial performance and many measures of whether a firm is successful, but one that applies across multiple industries and to businesses of all sizes is return on assets. This ratio is calculated by taking net income for a certain time period as a percentage of assets held during that period. Every year, Robert Morris Associates (RMA) publishes Annual Statement Studies with data collected from private commercial lenders and commercial banks, using the financial statements of their current and prospective borrowers and partners. The data are used to calculate key financial management ratios, which are especially useful for small- and mid-sized companies seeking to compare their performances to others in their industry or size range. The RMA data describe companies in 26 NAICS codes in arts and culture industries.

This indicator measures return on assets for between 2,000 and 3,100 companies in those industries, aggregated across industries and size of business. These companies were generally profitable, earning returns on assets ranging from 22 percent to a high of 35 percent in 2012, and averaging about 30 percent. The performance over time has been very dynamic, with wide ranges up and down from one year to the next. The on-going trend since 2006 has been one of growth, with some years experiencing higher values than others. 2013 showed scores in the lower end of the range, but at 29.1 percent remained close to the long-running average.



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Number of statements	2,004	2,336	2,595	2,547	2,515	2,756	2,551	2,906	2,917	2,983	3,133	2,754
Total imputed profit (\$M) (i.e., % profit x sales)	6,550	9,805	11,754	10,039	9,166	14,711	11,005	17,199	14,039	15,016	17,461	12,832
Net sales (\$M)	38,413	49,539	53,633	50,752	46,951	62,507	55,106	66,683	54,734	57,142	67,405	54,261
Total assets (\$M)	24,700	31,082	34,269	33,589	37,566	44,088	42,836	50,188	45,391	45,095	49,405	43,646
Imputed profit/Total assets	26.5%	31.5%	34.3%	29.9%	24.4%	33.4%	25.7%	34.3%	30.9%	31.9%	35.3%	1.24
Indexed to 2003 = 1.00	0.84	1.00	1.09	0.95	0.77	1.06	0.81	1.09	0.98	1.01	1.12	0.93

## 81. SHARE OF NONPROFIT ARTS ORGANIZATIONS WITH END-OF-YEAR SURPLUS

For an organization to be classified as “nonprofit” means that it cannot distribute any net earnings or surplus to private individuals for their benefit. On the other hand, nonprofit organizations typically try to earn a surplus each year, so that they can finance their own future programs and activities. Nonprofit managers balance earned and contributed income with expenses, hoping to end up “in the black.” The ability to generate a surplus is critical to the sustainability of any organization, whether for-profit or nonprofit.

This indicator measures the percentage of arts organizations that either broke even or generated a surplus. Overall, arts organizations with net surpluses constitute a larger share of all arts organizations from 2009 through 2013, a sign of some financial stability in the sector. In 2013, 42 percent of arts organizations ran at a deficit. While a troubling finding, this is only slightly worse than the share as non-arts nonprofits. Larger-budget organizations were more likely to run a deficit, though no specific arts discipline is particularly more likely to run a deficit. While some organizations have reserves available to manage these financial situations and other deficits may be the result of federal accounting and tax filing requirements, it is clear that the budget fortunes of nonprofit arts organizations got worse during the Great Recession and have been very slow to recover.



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Percentage of nonprofit arts organizations with end-of-year surplus or break-even budget	58.6	58.2	60.0	61.1	63.5	64.3	59.1	54.8	56.7	55.8	55.8	58.0
Indexed to 2003 = 1.00	1.01	1.00	1.03	1.05	1.09	1.10	1.02	0.94	0.98	0.96	0.96	1.00

## CHAPTER 7. CREATING THE NATIONAL ARTS INDEX

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This chapter of the report describes how the Index was put together, and gives interested readers some additional information on our methods. Here, you can find how various policy index models helped inform development of the Index, characteristics of the underlying data, the mathematics of calculating the Index and some strengths and weaknesses of the techniques we used. Also included are brief discussions of calculated vs. raw indicators, the effects of inflation and population change, the statistical significance of the annual Index scores, data we sought but could not find and data we found but did not use, changes from earlier National Arts Index reports, and other multivariate approaches to using the data. We also gratefully acknowledge and thank our many collaborators on this project, and note some of the literature that influenced the project.

### BENCHMARKS AND MODELS FOR THE NATIONAL ARTS INDEX

In first establishing a technique for calculating the Index in 2005, we looked at best practices of the time, to see how some well-known and long-running policy index reports were produced. We also considered what some global organizations recommended for measuring the vitality of arts and culture in different national settings. Some of the models we examined include:

- Annie E. Casey Foundation *“Kids Count”* \*
- Conference Board *Consumer Confidence Index* and *Help Wanted Index*.\*
- Roper *Social Capital Indices*
- Gallup Organization *Index of Leading Religious Indicators*\*
- *General Social Survey*
- Institute for Supply Management *Report on Business*
- United Way of America *State of Caring* (through 2002) and *Goals for the Common Good* (since 2003) \*
- Heritage Foundation *Index of Economic Freedom*
- Jacob Weisberg Index at Slate.com
- National Center for Educational Statistics *National Assessment of Educational Attainment*
- Western States *Creative Vitality Index*, developed by Hebert Research
- Performing Arts Research Coalition reports
- United Nations Educational, Scientific, and Cultural Organization (UNESCO) arts measurement reports
- Organization for Economic Cooperation and Development arts measurement reports
- International Federation of Arts and Cultural Councils toolkit

Those marked with an asterisk \* were especially helpful in forming the National Arts Index: using a model that merges multiple indicators into a smaller number of dimensions, using weighting methods of either identical weights for all indicators, or applying comparatively higher weight to some than others.

We also learned that once defined, the weighting scheme should persist for many years of creating and maintaining that index. This persistence, in economics, describes a “Laspeyres” index; which uses weights set in the base period. An alternative approach is a “Paasche” index, in which the weights are set based on later periods, and may even use different data. The difference between these became a matter of public issue in regards to the Consumer Price Index, which was initially defined mainly as a Laspeyres-type index, weighted according to what people were purchasing in the early 1980s. Adjustments to bring current consumption

patterns into the CPI were challenging, both methodologically and politically. In developing this initial National Arts Index report, we used a Laspeyres approach, which we have maintained for the five updates of the Index.

### NATIONAL ARTS INDEX DATA

The Index was always intended to be summary of the best available data describing arts and culture. Although we did not use every indicator we found, this data set is the largest ever assembled describing arts and culture in the U.S. When planning began in 2005, we expected to find 25 or 30 indicators meeting the necessary criteria. This turned out to be too low by a wide margin, as we have found more than 100 sources of indicator data of which we have used many, and calculated additional dozens (not all of these were used). The indicators measure an enormous range of human activities, asset stocks, production, financial flows, employment, self-employment, voluntarism, production and consumption, creative goods and experiences, public and private, purchase, and philanthropy. They came from multiple sources; government bureaus, private membership associations, and academic and policy researchers were most fruitful. Table 10 below shows the nature of the sources used for the 2016 Index report:

TABLE 10. NATIONAL ARTS INDEX DATA SOURCES

Type of data source	Indicators in this report	No 2013 data	Total
Government bureau	20	1	21
Membership organization with mainly nonprofit members	8	3	11
Research organization	8		8
Membership organization with mainly business members	8		8
Business firm	8		8
Publication	4		4
Professional society	1		1
Calculated by combining data from two or more sources	19	1	20
Total	76	5	81

Sources of indicator data are noted in the one-page reports, and a comprehensive list is in Appendix E.

All indicators meet the following eight criteria:

1. The indicator has at its core a meaningful measurement of arts and culture activity
2. The data are national in scope
3. The data are produced annually by a reputable organization
4. Five years of data are available, beginning no later than 2003 and available through 2012
5. Measured at a ratio level (not just on rankings or ratings)
6. Statistically valid, even if based on sample
7. Expected to be available for use in the Index
8. Affordable within project budget constraints

Applying these criteria cannot overcome every problem in the data. Most Index indicators are based on secondary data, which combine their own virtues and flaws. Some challenges already encountered include lags, sampling problems, and gaps in the data. Every data series we wish to use is produced by a public or private organization, with an annual calendar, budget, and processes. Staff at many public and private offices has graciously helped us. For some indicators, we obtained data from more than one source, such as adding public statements of one organization to industry tallies that did not include that individual organization's data.

A broader challenge is caused by the fact that the nation is constantly changing in ways that affect the arts. Where it makes sense, some indicators account for the effects of broad national change factors, to distinguish arts and culture changes from broad national-level shifts affecting all sectors. For example, attendance at public performances is considered not only as a total, but also as a share of the ever-growing U.S. population. If total attendance at a particular art form increases at a rate of 0.5 percent per year—while total population grows at a one percent rate—then that art form is effectively losing ground, because, even though attendance numbers may be up, a shrinking portion of the population is attending. Similarly, we report arts philanthropy in both dollars and as a share of total philanthropy, government arts funding as a percentage of government outlays, etc. Doing this made it possible to derive more than one Arts Index indicator from specific secondary data.

### COMPUTING THE NATIONAL ARTS INDEX

The 2016 National Arts Index measures the vitality of arts and culture in the U.S. from 2002 to 2013, scaled to a base year of 2003 = 100.0. It is an average of the actual value of 76 different indicators available at press time.

In calculating the National Arts Index, every indicator has equal weight or influence for every year that it is measured. For this report: in 2002, there were 69 observed indicators, so each one was had a weight of 1.45 percent in the 2002 Index score ( $100 \text{ percent} / 69 = 1.45 \text{ percent}$ ). For years 2003-2012, each of the 81 indicators had 1.23 percent of the weight ( $100 \text{ percent} / 81 = 1.23 \text{ percent}$ ). Thus, every indicator in the 2013 Index score has 1.32 percent of the weight ( $100/76 = 1.32 \text{ percent}$ ).

It is reasonable to ask: are they equally important? To say either yes or no requires some standards of importance. However, we have no theory of arts and culture vitality that declares specific indicators (e.g., artists' employment, arts philanthropy, or government arts funding) as more or less important than others (e.g., artists' earnings or orchestra attendance). Without a specific reason to make some more important than others, we set all  $w_i$  equal, meaning that **the National Arts Index is an unweighted average**. We don't look at any single indicator or small group of indicators and say, "that's all we need to measure performance." All of these components are needed for arts and culture to remain vital over time. If we say that one was more significant or meaningful than another, we could give it a greater weight to reflect that thought. But the Index is generally neutral about different theoretical approaches to the arts.

The National Arts Index score is calculated as follows: A particular year's value of every indicator in its original scale (e.g., dollars, people, share, count, etc.) is converted into an "index score" by dividing by its value in that year by its value in 2003. This produces a number above, below, or equal to 1.00. The National Arts Index score for a year comes from applying the weighted scheme (all indicators have the same weight), adjusting for the number of observed indicators that year by multiplying by the percentage figures in the preceding paragraph, then multiplying the result by 100. This step puts all indicators into a common scale, which is "change from

2003” regardless of the original scale, making it easy to view figures for later years as percentages of the 2003 figure. 2003 was selected as the base year because when the project began, it was recent enough to relate the statistical findings of the Index to current events, and was the first year for which all indicators were available.

The index scores for all indicators and all years ranged from a low of 44.1 to a high of 178.4. However, with the exception of seven index scores (Concert industry ticket sales, nonprofit capital, SAT performance margin, CD stores, both measures of recording sales, and Mei-Moses Art index), all other index scores (out of 1,220) were between 0.5 and 1.5. Therefore, the scale of 0.50 to 1.50 was used for the Index Score axis in the figures in the one-page indicator reports, with special graphics to mark those exceptions.

After this step, all index scores are added to get the preliminary National Arts Index score for that year. The adjusted Index scale is set at 100.0 in 2003, and ranges from a high of 102.8 in 2007 to a low of 96.6 in 2011.

Mathematically, this preliminary score is expressed as:

$$N_Y = \sum_{i=1}^I w_i o_{iy} / o_{iy2003} \times I / i_Y \times 100, \text{ where:}$$

$N_y$  = the National Art Index for a given year,  $y = 1998, \dots, 2013$

$i$  = observed and measured indicators of arts and culture activity.

$I$  is the number of indicators available for a year. For 2002,  $I = 65$ , for 2003-2012,  $I = 81$ , and for 2013,  $I = 76$ .

$o_{iY}$  = observed indicator  $i$  in year  $Y$

$o_{iY} / o_{i2003}$  = the index score for indicator  $i$  in year  $y$ , calculated by dividing observed indicator  $i$  for a year by its 2003 value

$i_y$  = total number of indicators observed in a given year,  $y = 2002, \dots, 2013$

$w_i$  = the weight assigned to indicator  $i$ ,  $\sum w = 1.0$

The last condition specifies that all of the indicator weights must sum to 1.0. The term  $I / i_y$  in the equation expresses the particular weighting scheme that all indicators have equal weight, but this could be modified under another specification of the Index. Note also that all  $s_{i2003} = 1.00$ , and  $N_{2003} = 100.0$ .

In calculating the vitality of arts and culture, all  $w_i$  are positive, meaning that they all make a positive contribution to that vitality, and none of them are “reverse scored.” Given that each indicator is important to one or more audiences, each one should have some impact on the overall score. We believe that “more is better” when it comes to arts activities, and so we view as desirable a progression in which successive scores on this composite measure improve from year to year.

Making every indicator equally important in the Index is our approach in this report, but it is just one “meta” or comprehensive view. It need not be the only perspective on the data. Other researchers or analysts might want

to devise their own “views” of the data with their own weighting schemes. To facilitate such a task, the actual data are in the one-page reports in chapters 3 through 6, and the calculated index scores appear in Appendix E.

**RELATING THIS REPORT TO PRIOR NAI REPORTS**

Some indicators that were included in the initial Index reports became impractical or impossible to use for one reason or another, and have been “retired”. All the information we have about them is in Appendix F of this report, but they no longer play a role in the calculation of the Index.

This report shows small differences in the reported 2009 through 2013 National Arts Index scores when compared to prior year reports. There are two main reasons for these differences.

1. Change in the number of indicators. Since the beginning, we added new indicators, using their historic data from 1996 to the present; they naturally had the potential to either increase or decrease the overall National Arts Index score. We also retired indicators when it became clear that future data would not be available. For 2013, no data could be obtained for five indicators.
2. Some producers of prior year data issued revisions of their historical data. Using the revised indicators make this report more accurate, but some figures differ from those in earlier reports; if the changes are more than minimal, they are noted in the individual indicator descriptions.

The net effect of these differences is minimal; some went up, some went down, and the deviations mainly cancelled each other out. Overall, we find the Index method to be a robust technique to maintain over time.

**ACBS AND MEDIAN ANNUAL SCORES**

The main body of this report features the equal weighting scheme, but two other methods of viewing the National Arts Index score are easily identified: The Arts and Culture Balanced Scorecard approach, and the median. We used the dimensions of the ACBS to organize how the indicators were presented. The ACBS model implies that all four dimensions have 25 percent weight in an overall ACBS score. Within each dimension, each individual indicator has an equal share of that 25 percent, resulting in the following unbalanced weight for indicators in each dimension where 76 indicators were available, and [where all 81 are available]:

- Financial flows: 1.47 percent, because  $0.25 / 15 = 0.167$  [0.147]
- Capacity: 1.67 percent [1.67]
- Arts participation: 1.14 percent [1.14]
- Competitiveness: 1.04 percent [0.93]

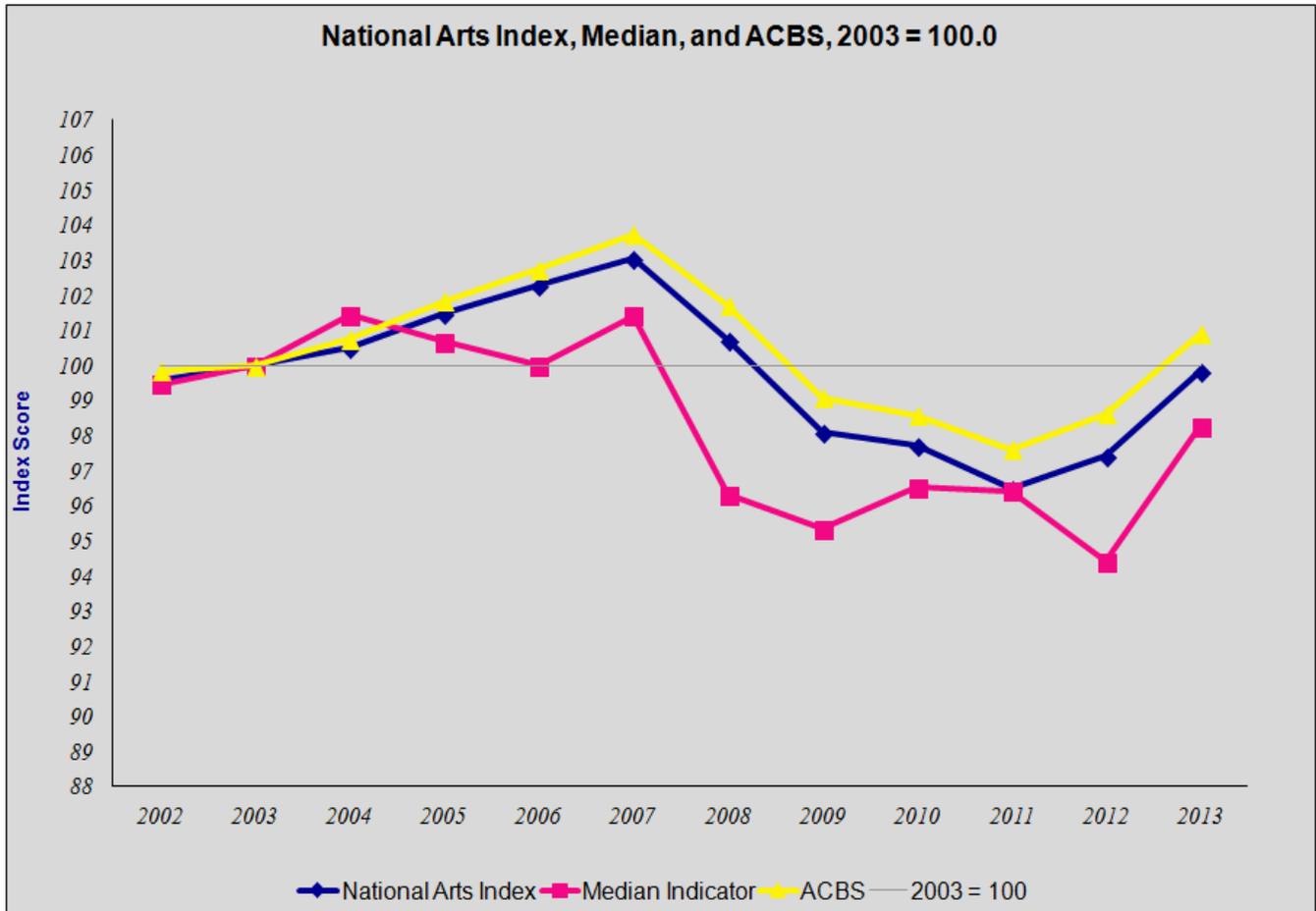
Because there are fewer indicators available for financial flows and capacity, each one has larger weight.

Additional information is provided by the median index score for each year (i.e., the value of the middle indicator for each year). In general, annual changes in the National Arts Index score (an average) closely parallel differences in each year’s median indicator for every year. Table 11 shows National Arts Index scores for the years 2002-2013, median indicator score for each year, the calculated Arts & Culture Balanced Scorecard score, and the number of indicators in each year’s scores. Figure H shows all three scores.

**TABLE 11. NATIONAL ARTS INDEX, MEDIAN INDICATOR, AND ARTS & CULTURE BALANCED SCORECARD INDEX SCORES**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
National	99.6	100.0	100.5	101.5	102.3	103.1	100.7	98.1	97.7	96.5	97.4	99.8

Arts Index												
Median Indicator	99.5	100.0	101.4	100.7	100.0	101.4	96.3	95.4	96.5	96.4	94.4	98.3
ACBS	99.8	100.0	100.8	101.8	102.7	103.7	101.7	99.1	98.6	97.6	98.6	100.9
Number of Indicators	65	81	81	81	81	81	81	81	81	81	81	76



**FIGURE H. NATIONAL ARTS INDEX, MEDIAN INDICATOR, AND ARTS AND CULTURE BALANCED SCORECARD INDEX SCORES**

### STRENGTHS AND WEAKNESSES OF THE INDEX

One lesson learned from reviewing other policy index projects and reports was the value of transparency and of identifying both the advantages and the problems of the choices made in constructing an index. All data collection and manipulation procedures involve tradeoffs between the overall objective of a robust and informative result on the one hand, and the limitations of method or data or resources on the other. This section discusses some of the tradeoffs we encountered in creating the Index, especially between the precision of data and the desire to report continuing series.

Major overall objectives were to create a report that was conceptually easy to understand for a broad-based audience, provided ample coverage of arts and culture in the U.S., and had additional detail on the underlying data. In time series study, time itself is an important variable. The Index technique renders data for each

indicator in a common scale that can be used to compare between indicators and over time. Year-to-year change in each indicator is presented both numerically and visually. In some ways this is a “meta-analysis,” which systematically accumulates evidence from multiple studies of a subject to reach an overall finding. In this case, the subject is evidence of the vitality of arts and culture. Because the effect we are looking at is the vitality of arts and culture in the relatively recent past, interpreting trends was easier using our memory and current and evolving knowledge of the arts and culture world in the U.S. from 1999 to the present.

**Like everything, our methods have both strengths and weaknesses. Strengths of our approach include:**

- Use of multiple data series from private and public sources to create what we believe is the largest data set ever assembled describing arts and culture in America.
- Deriving a diverse view of artistic businesses and work by using multiple classification systems for industries and occupations. Multiple data sources on employment in the arts (government data by SOC-coded occupation and NAICS-coded industry, and private data on SIC-coded industry), enabled us to shed light from multiple perspectives on this critically important indicator of vitality.
- All data are ratio scaled, not measured categorically, ordinally, or in intervals. This consistent numerical property makes it possible to do calculations with the Index scores, for example percentage changes.
- The data series are quite consistent over time. Although many providers modify their procedures from year to year to improve precision, there is generally strong year-to-year continuity.
- While subject to some flaws noted below, the data series that serve as indicators are the best available data to describe these arts and culture activities nationally and annually.
- The indexing procedure resolves differences between data series measured at different orders of magnitude. For example, activity and participation levels are in the millions or tens of millions of people; but other indicators are measured in small numbers like percentage margins. Financial figures are in billions of dollars. Indexing to a base year makes for consistent year-to-year trend measurement.
- Annual data is more precise and fine-grained than data released at five- year intervals by NEA and other federal offices.
- The NAI technique is a model for studies of nations, states, metropolitan areas, and municipalities.
- The NAI has been calculated for six years and can be maintained into the future.
- We added 12 new series (five for report year 2010, two each in 2012 and 2013, three in 2014), and produced new versions of the NAI, with a “crosswalk” to earlier “vintages,” maintaining the equal-weighting policy.
- In report year 2013, we retired seven indicators that would no longer be available or would not meet our criteria.

**Weaknesses of our approach include the following considerations:**

- Many raw data series are based on surveys that are subject to biases, such as non-random samples, self-selection, and non-response. Private membership organizations especially get data from annual, voluntary surveys of their members. While their scope may be national, they have small sample sizes, and usually do not have the same respondents in successive years.

- There are lags between when the activity occurred and when the data are released. The lags are predictable, but persistent, and can be as long as two years.
- There is no information available about the variance within individual series (except for a small number of government series), limiting our ability to make assertions about the statistical significance of differences between individual indicators or index scores.
- The Index and selected views are only extrapolations, point estimates of weighted averages.
- The Index scores vary over time, and this variation is the main focus of the analysis. However, there are not enough years of data for each indicator to derive multivariate views to connect the indicators.
- The indicators do not cover every element of arts and culture activities, and many aspects escape annual measurement. We could not find data describing the visual arts market (creation or consumption) to meet our criteria—and similarly for craft-making, dance, and choral music. The massive impact of desktop / laptop / mobile tools on design and creativity, and the impact of transmission of arts and culture content via the internet are difficult to measure (though many of the internet’s effects are felt in the sectors that are included). So while the report is comprehensive, it is not exhaustive, and other arts sectors may come to our attention for planned annual updates of the Index—as with other policy index reports we learned from. We are aware of these limits and are seeking data that illuminate more areas.

### OTHER METHODOLOGICAL NOTES

For those interested in a deeper examination of how the Index was constructed, here is additional information on calculated and original / raw data indicators, adjusting for inflation, adjusting for population, tests of statistically significant difference between overall Index scores for different years, some indicators that we identified but did not use, and alternative ways of presenting the data.

**Calculated vs. original indicators:** Nineteen indicators were calculated by relating an observed data series describing arts and culture to some wider measure of the U.S. society, such as population, or to some other aggregate such as total government spending. The specifics of these calculations are in the one-page reports (mostly in Chapter 6), and the indicator names usually indicate that they are a “share.”

**Adjusting for inflation:** Financial figures were converted from current or nominal dollars to constant or inflation-adjusted dollars using the annual average Consumer Price Index for urban consumers at <ftp://ftp.bls.gov/pub/special.requests/cpi/cpiiai.txt>. The original base period (i.e., when the CPI was 100) is 1983, but price levels have more than doubled since then. To put this into a scale that is more easily related to recent price changes, the one-page reports use CPI set to 2013 =100, calculated by dividing average annual CPI figures for Index years by the 2008 CPI, and multiplying by 100:

TABLE 12. CONSUMER PRICE INDICES, 2001 – 2013

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
CPI, 1982-1984 = 100	179.90	184.00	188.90	195.30	201.60	207.34	215.30	214.54	218.06	224.94	229.59	232.96
CPI, 2013 = 100	77.2	79.0	81.1	83.8	86.5	89.0	92.4	92.1	93.6	96.6	98.6	100.0

Thus, the “constant dollar” figures reported are essentially in 2013 dollars. Note that the cumulative effect of inflation from 2002 to 2013 was 29.5 percent, calculated as  $(106.6/82.3) - 1 = 0.295$ . Effectively, a dollar in 2011 bought what 70 cents purchased in 2002. The adjusted CPI figure for 2009 is not a typo: overall price levels as reported in the CPI did decline in 2009 compared to 2008.

**Adjusting for population change:** Population figures through 2010 are based on the decennial (every ten years) U.S. Census. In intervening years, the Census Bureau estimates population levels as it has done annually since before the 1990 census. When a new decennial census is conducted (as in 2010), the Bureau revises its prior estimates in the light of the actual population count. The National Arts Index uses these so-called “intercensal” estimates of total U.S. resident population on July 1 of 1998 and 1999, the decennial 2000 Census count, annual estimates for 2001-2009, decennial 2010 Census, and Census Bureau estimates for July 1, 2011, 2012, and 2013.

**Tests of statistical significance:** The search for statistical significance is restricted to comparing annual National Arts Index scores between years with *t*-tests (two-tailed). Table 13 shows statistical significance of differences between Index scores for pairs of years. Significant results are shown at the 10 percent and 5 percent levels of significance, referring to the probability that the calculated difference came from chance as opposed to a true difference. Numbers in Table 13 are probabilities that the two years’ Index scores are the same. The closer the number is to zero, the more likely that the difference is significant and not a random result. Cells **underlined and boldfaced** indicate that the Index scores of two years are different from each other at the five percent level of significance. ***Boldface italic*** indicates differences at the less-rigorous ten percent level of significance.

TABLE 13. PROBABILITY VALUES FOR T-TEST OF DIFFERENCES BETWEEN YEARS

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
2001	0.465	0.450	0.354	0.216	0.143	0.105	0.362	0.273	0.242	0.144	0.236	0.492
2002		0.316	0.212	<b><i>0.100</i></b>	<b><i>0.058</i></b>	<b><i>0.046</i></b>	0.303	0.252	0.220	0.118	0.221	0.469
2003			0.255	0.109	<b><i>0.063</i></b>	<b><i>0.051</i></b>	0.360	0.179	0.158	<b><i>0.078</i></b>	0.169	0.479
2004				0.249	0.147	0.106	0.460	0.137	0.122	<b><i>0.060</i></b>	0.134	0.413
2005					0.339	0.243	0.375	<b><i>0.078</i></b>	<b><i>0.071</i></b>	<b><i>0.034</i></b>	<b><i>0.083</i></b>	0.305
2006						0.377	0.270	<b><i>0.050</i></b>	<b><i>0.046</i></b>	<b><i>0.022</i></b>	<b><i>0.056</i></b>	0.233
2007							0.203	<b><i>0.038</i></b>	<b><i>0.035</i></b>	<b><i>0.017</i></b>	<b><i>0.042</i></b>	0.183
2008								0.183	0.162	<b><i>0.093</i></b>	0.164	0.402
2009									0.452	0.309	0.423	0.318
2010										0.356	0.467	0.289
2011											0.467	0.197
2012												0.277

The cluster of boldfaced and underlined probabilities on the right-hand side are evidence that the 2009 through 2012 Index scores are significantly less than the most recent Index peak in 2005 through 2007. Generally, these *t*-test results suggest that a difference of three Index points is significant at the five percent level for comparisons of two years where all 81 indicators are used (as is the case comparing 2004 and 2011). Notably, the 2013 score is not significantly different from any earlier year.

**Data series we did not use:** We have found sources describing aspects of arts and culture that we did not use for one (or more) of several reasons, such as: an indirect or limited connection to the arts, concerns about continued availability of the data over time, variability far outside the dynamic range of other indicators, or too close a parallel to available data. They still help to show some of where we've been looking to expand and improve the Index. Here are some series that we identified but did not use:

- Data on visitation to public libraries for various purposes.
- Share of the global art auction market sold in U.S. auction houses. This has been around 40 percent in recent years.
- A price index of sales of art in U.S. auction houses. This index has fluctuated very widely in recent years.
- The share of the Library of Congress collection devoted to works of fine arts and music. This grew slowly from 19.5 million to 23.1 million items from 1999 to 2006, totaling about 6.8 to 7.0 percent of the entire collection.
- The U.S. share of attendance at the 30 largest art exhibitions held in art museums around the world.
- Total movie revenue, which moved in parallel to movie attendance.
- An estimate of the number of households nationally that had contributed to arts and culture organizations; we chose instead the market share that those households comprised.

**Alternative systems for analyzing the Index data:** Our procedure as outlined above involved first indexing the data series (dividing by the 2003 value) and then averaging them, effectively setting all weights equal to each other. The resulting annual Index scores are thus linear point estimates of total variation across all indicators in each year. This was appropriate because of its simplicity and the ease of computation. To group the indicators into dimensions, we used the ACBS model and our own sense of what constituted financial flows, capacity, arts participation, and arts competitiveness.

With additional resources or time, we could use other systems to categorize the data or find components from available variance rather than the views implied by the ACBS model. We could not use factor analysis, principal components analysis, or structural equation modeling because these approaches require many more observations than variables; the Index data include only 13 observations (one per year) of dozens of variables. Optimization techniques like linear programming or data envelopment analysis are not helpful because we do not have a single state of arts and culture to set as that optimum standard, so there is no clear objective to pursue or compare to. For like reasons, we did not use a Lorenz curve / Ginni coefficient to compare actual provision of arts and culture to a conceptual ideal where every person has equal access to the arts.

This being said, we are interested in simpler or more elaborate approaches, either those mentioned here, or others. We encourage researchers and analysts to approach us with models for alternatives. Note that Appendix E contains all of the annual index scores for every variable.

**Additional years' data:** As the project began, we set 1996 as the first year for which we would seek observations. Ultimately, 27 indicators had measurements for 1996, and two more also had 1997 data. Under a rule of thumb that we would not focus on any year with too few indicators, we only present detailed data for 2002 through 2013.

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## APPENDIX A: NORTH AMERICAN INDUSTRIAL CLASSIFICATION SYSTEM CODES FOR ARTS AND CULTURE INDUSTRIES

NAICS code	Description
334612	Prerecorded Compact Disc (except Software), Tape, and Record Reproducing
339911	Jewelry (except Costume) Manufacturing
339942	Lead Pencil and Art Good Manufacturing
339992	Musical Instrument Manufacturing
451211	Book Stores
423410	Photographic Equipment and Supplies Merchant Wholesalers
443130	Camera and Photographic Supplies Stores
451140	Musical Instrument and Supplies Stores
451220	Prerecorded Tape, Compact Disc, and Record Stores
453920	Art Dealers
511130	Book Publishers
512110	Motion Picture and Video Production
512120	Motion Picture and Video Distribution
512131	Motion Picture Theaters (except Drive-Ins)
512132	Drive-In Motion Picture Theaters
512191	Teleproduction and Other Postproduction Services
512199	Other Motion Picture and Video Industries
512210	Record Production
512220	Integrated Record Production/Distribution
512230	Music Publishers
512240	Sound Recording Studios
512290	Other Sound Recording Industries
515111	Radio Networks
515112	Radio Stations
515120	Television Broadcasting
519120	Libraries and Archives
532230	Video Tape and Disc Rental
541310	Architectural Services
541410	Interior Design Services
541430	Graphic Design Services
541490	Other Specialized Design Services
541810	Advertising Agencies
541921	Photography Studios, Portrait
541922	Commercial Photography
611610	Fine Arts Schools
711110	Theater Companies and Dinner Theaters
711120	Dance Companies
711130	Musical Groups and Artists
711190	Other Performing Arts Companies
711510	Independent Artists, Writers, and Performers
712110	Museums
712120	Historical Sites
712130	Zoos and Botanical Gardens

## APPENDIX B: STANDARD OCCUPATIONAL CODES FOR ARTS AND CULTURE OCCUPATIONS

SOC Code	Type of work
131011	Agents and Business Managers of Artists, Performers, and Athletes
171011	Architects, Except Landscape and Naval
171012	Landscape Architects
251121	Art, Drama, and Music Teachers, Postsecondary
254011	Archivists
254012	Curators
254013	Museum Technicians and Conservators
259011	Audio-Visual Collections Specialists
271011	Art Directors
271012	Craft Artists
271013	Fine Artists, Including Painters, Sculptors, and Illustrators
271014	Multi-Media Artists and Animators
271019	Artists and Related Workers, All Other
271021	Commercial and Industrial Designers
271022	Fashion Designers
271023	Floral Designers
271024	Graphic Designers
271025	Interior Designers
271026	Merchandise Displayers and Window Trimmers
271027	Set and Exhibit Designers
271029	Designers, All Other
272011	Actors
272012	Producers and Directors
272031	Dancers
272032	Choreographers
272041	Music Directors and Composers
272042	Musicians and Singers
272099	Entertainers and Performers, Sports and Related Workers, All Other
273011	Radio and Television Announcers
273041	Editors
273042	Technical Writers
273043	Writers and Authors
274011	Audio and Video Equipment Technicians
274012	Broadcast Technicians
274014	Sound Engineering Technicians
274021	Photographers
274031	Camera Operators, Television, Video, and Motion Picture
274032	Film and Video Editors
274099	Media and Communication Equipment Workers, All Other
393021	Motion Picture Projectionists
393031	Ushers, Lobby Attendants, and Ticket Takers
393092	Costume Attendants
393099	Entertainment Attendants and Related Workers, All Others
395091	Makeup Artists, Theatrical and Performance
499063	Musical Instrument Repairers and Tuners
519071	Jewelers and Precious Stone and Metal Workers

**APPENDIX C: NATIONAL TAXONOMY OF EXEMPT ENTITIES CODES FOR ARTS AND CULTURE NONPROFIT ORGANIZATIONS**

<b>NTEE Code</b>	<b>Type of Nonprofit Organization</b>
A01	Alliance/Advocacy Organizations
A02	Management & Technical Assistance
A03	Professional Societies & Associations
A05	Research Institutes and/or Public Policy Analysis
A11	Single Organization Support
A12	Fundraising and/or Fund Distribution
A19	Nonmonetary Support Not Elsewhere Classified
A20	Arts, Cultural Organizations - Multipurpose
A23	Cultural/Ethnic Awareness
A25	Arts Education/Schools
A26	Arts Council/Agency
A30	Media, Communications Organizations
A31	Film, Video
A32	Television
A33	Printing, Publishing
A34	Radio
A40	Visual Arts Organizations
A50	Museums & Museum Activities
A51	Art Museums
A52	Children's Museums
A53	Folk Arts Museums
A54	History Museums
A56	Natural History, Natural Science Museums
A57	Science & Technology Museum
A60	Performing Arts
A61	Performing Arts Centers
A62	Dance
A63	Ballet
A65	Theater
A68	Music
A69	Symphony Orchestras
A6A	Opera
A6B	Singing Choral
A6C	Music Groups, Bands, Ensembles
A6E	Performing Arts Schools
A70	Humanities Organizations
A80	Historical Societies and Related Activities
A84	Commemorative Events
A90	Arts Service Activities/ Organizations
A99	Other Art, Culture, Humanities Organizations/Services Not Elsewhere Classified
N52	County/Street/Civic/Multi-Arts Fairs and Festivals

## APPENDIX D: NATIONAL ARTS INDEX SCORES

Indicator Scores, 2002-2013	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1. Songwriter and composer performing rights royalties		1.00	1.06	1.10	1.14	1.20	1.26	1.30	1.27	1.22	1.16	1.21
2. Worker earnings in artistic occupations	1.00	1.00	0.91	0.93	0.95	0.97	0.93	1.01	1.01	1.01	1.00	1.01
3. Payroll in arts and culture industries	0.99	1.00	0.98	1.02	1.06	1.06	1.03	0.96	0.92	0.89	0.94	0.93
4. Publishing industry revenue	0.96	1.00	0.96	0.98	0.95	0.95	0.89	0.88	1.01	0.95	0.93	0.91
5. Bookseller sales	0.97	1.00	1.01	0.99	0.96	0.94	0.88	0.83	0.79	0.69	0.60	0.56
6. Musical instrument sales	1.02	1.00	1.02	1.05	0.98	0.96	0.87	0.73	0.77	0.78	0.77	0.77
7. Recording industry shipment value	1.09	1.00	1.01	0.98	0.91	0.78	0.63	0.56	0.50	0.48	0.47	0.47
8. Total album sales		1.00	1.02	0.94	0.90	0.76	0.65	0.57	0.50	0.50	0.48	0.44
9. Concert industry ticket sales	0.86	1.00	1.09	1.17	1.31	1.38	1.44	1.58	1.43	1.42	1.51	1.61
10. Constant dollar value of US exports of creative goods	0.97	1.00	1.08	1.12	1.14	1.07	1.10	0.94	1.06	1.13	1.10	
11. Revenue of arts and culture nonprofits	1.02	1.00	1.09	1.10	1.20	1.28	1.25	1.15	1.19	1.10	1.22	1.30
12. Foundation arts and culture funding	1.11	1.00	1.08	1.08	1.19	1.14	1.51	1.12	1.07	1.04	0.97	
13. Private giving to arts and culture	0.91	1.00	0.98	1.05	1.14	1.19	0.95	0.97	1.02	1.06	1.11	1.18
14. United arts fundraising campaigns	1.15	1.00	1.16	1.14	1.15	1.29	1.16	1.16	1.08	1.09	0.97	0.99
15. Federal government arts and culture funding	0.98	1.00	1.04	1.04	1.00	0.99	1.01	1.05	0.99	0.94	0.93	0.96
16. State arts agency legislative appropriations	1.18	1.00	0.77	0.81	0.84	0.87	0.85	0.80	0.70	0.63	0.59	0.62
17. Local government funding of local arts agencies	1.01	1.00	0.95	0.98	0.93	1.16	1.19	1.17	1.11	1.05	1.12	1.16
18. Artists in the workforce	0.99	1.00	1.01	1.02	1.01	1.08	1.06	1.05	1.04	1.02	1.03	1.05
19. Workers in arts and culture occupations	0.97	1.00	1.09	1.09	1.11	1.15	1.16	1.17	1.10	1.09	1.10	1.11
20. Employees in arts and culture industries	1.00	1.00	1.00	1.02	1.04	1.03	1.02	0.95	0.88	0.87	0.82	0.86
21. "Creative Industries" employment		1.00	1.01	1.02	0.93	1.01	0.94	1.00	1.00	0.99	0.99	0.95
22. Arts union membership	1.00	1.00	1.00	1.04	1.09	1.23	1.27	1.26	1.28	1.27	1.29	1.27
23. CD and record stores		1.00	1.00	0.91	0.87	0.79	0.70	0.62	0.59	0.56	0.52	0.48
24. Independent artists, writers, and performers	0.97	1.00	1.04	1.12	1.13	1.19	1.19	1.21	1.24	1.28	1.31	1.34
25. Movie screens	1.00	1.00	1.02	1.06	1.08	1.09	1.09	1.10	1.11	1.11	1.11	1.12
26. Establishments in arts and culture industries	1.00	1.00	1.02	1.02	1.04	1.05	1.01	0.98	0.94	0.92	0.91	0.90
27. "Creative Industries" establishments		1.00	1.02	1.00	0.98	1.00	0.98	0.94	0.97	0.99	1.08	0.97
28. Registered arts and culture 501(c)(3) organizations	0.96	1.00	1.04	1.08	1.13	1.18	1.22	1.28	1.30	1.10	1.04	1.08
29. Arts support organizations	0.98	1.00	1.04	1.05	1.07	1.05	1.06	1.09	1.04	1.03	1.05	1.04
30. Capital investment in arts and culture industries	0.99	1.00	1.07	1.11	1.14	1.16	1.18	1.19	1.21	1.16	1.11	1.11
31. Capital investment in nonprofit arts organizations	1.01	1.00	1.05	1.10	1.15	1.31	1.45	1.35	1.40	1.38	1.58	1.62
32. Arts and culture capital assets	0.95	1.00	1.04	1.10	1.17	1.21	1.24	1.25	1.28	1.30	1.35	1.39

<b>Indicator Scores, 2002-2013</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
33. Copyright applications	0.87	1.00	1.01	0.99	0.98	0.89	0.92	0.88	0.86	0.89	0.90	0.94
34. Personal expenditures on arts and culture	1.01	1.00	1.01	1.01	0.99	0.96	0.92	0.89	0.89	0.89	0.89	0.88
35. Arts engagement		1.00	1.11	0.96	0.93	0.96	0.88	0.82	0.86	0.86	0.85	0.86
36. New work in theatre, orchestra, opera, Broadway, and film		1.00	0.97	0.88	1.01	1.00	1.07	1.00	1.01	1.02	1.24	1.13
37. Books published on music, theatre, dance, or art	1.00	1.00	0.90	0.86	0.70	0.69	0.74	0.73	1.17	1.43	1.33	1.42
38. Volunteering for arts organizations	0.91	1.00	0.93	0.88	0.94	0.93	0.93	0.98	0.91	1.00	1.05	1.07
39. Arts work in volunteering		1.00	1.02	0.95	0.91	0.83	0.84	0.84	0.78	0.79	0.71	0.75
40. Performance of SAT test takers with four years of art or music	0.90	1.00	1.04	1.07	1.11	1.06	0.95	0.94	1.02	0.92	0.94	1.66
41. Arts majors by college bound seniors	1.03	1.00	0.94	0.95	1.03	1.05	1.01	0.96	1.09	1.14	1.19	1.14
42. Visual and performing arts degrees	0.93	1.00	1.07	1.09	1.11	1.12	1.13	1.19	1.19	1.24	1.27	1.30
43. Non-commercial radio listenership	0.96	1.00	0.97	0.93	0.99	0.99	1.04	1.05	1.08	1.07	1.07	1.05
44. Public television viewing	1.02	1.00	0.98	0.97	0.91	0.83	0.74	0.73	0.75	0.72	0.73	0.68
45. Foreign visitor participation in arts and culture leisure activity	0.98	1.00	1.05	1.08	1.11	1.10	1.20	1.23	1.27	1.26	1.35	1.33
46. Attendance at Broadway shows in New York	0.96	1.00	1.02	1.01	1.05	1.08	1.07	1.07	1.04	1.10	1.08	1.01
47. Attendance at touring Broadway shows	0.94	1.00	1.04	1.47	1.38	1.35	1.23	1.15	1.28	1.06	1.02	1.11
48. Attendance at live popular music		1.00	1.04	1.07	1.02	1.02	1.00	1.04	0.97	1.12	1.21	1.22
49. Attendance at symphony, dance, opera, and theatre		1.00	0.99	0.98	0.95	0.93	0.89	0.90	0.87	0.90	0.87	0.85
50. Motion picture attendance	1.03	1.00	0.98	0.90	0.92	0.92	0.88	0.93	0.88	0.84	0.89	0.88
51. Art museum visits		1.00	0.98	1.00	0.95	0.93	0.93	0.92	0.94	0.92	0.94	0.92
52. Opera attendance	1.02	1.00	1.09	1.05	1.09	1.14	0.98	0.93	0.86	0.73	0.80	0.85
53. Symphony attendance	1.09	1.00	1.00	0.95	1.05	1.04	1.03	0.92	0.94	0.96	0.92	1.15
54. Nonprofit professional theatre attendance	0.94	1.00	0.94	0.95	0.89	0.90	0.93	0.87	0.90	0.99	1.07	1.02
55. Arts and culture share of private giving	0.91	1.00	0.92	0.91	1.00	1.03	0.88	0.98	0.99	1.03	1.03	1.06
56. Share of metropolitan households contributing to arts and culture		1.00	1.01	1.01	1.02	1.05	1.04	1.02	1.00	0.98	0.93	0.94
57. Arts and culture share of personal expenditures	1.04	1.00	0.97	0.94	0.91	0.87	0.84	0.82	0.80	0.78	0.77	0.75
58. Arts share of GDP (lagged)	0.98	1.00	0.97	0.98	0.97	0.96	0.93	0.95	0.88	0.88	0.88	
59. Visual and performing arts share of all degrees	0.98	1.00	1.02	1.01	0.99	0.97	0.96	0.93	0.93	0.91	0.89	0.91
60. Share of employees in arts and culture industries	1.01	1.00	0.99	0.99	0.98	0.96	0.96	0.90	0.90	0.87	0.81	0.82
61. Share of workers in arts and culture occupations	0.97	1.00	1.08	1.07	1.06	1.09	1.09	1.15	1.10	1.09	1.08	1.06
62. Share of payroll in arts and culture industries	1.00	1.00	0.96	0.98	0.98	0.96	0.95	0.90	0.89	0.85	0.88	0.85
63. Share of SAT I test takers with four years of art or music	0.98	1.00	1.07	1.11	1.18	1.16	1.19	1.27	1.19	1.11	1.10	1.12
64. Share of establishments in arts and culture industries	1.01	1.00	1.00	0.98	1.00	0.99	0.96	0.92	0.93	0.90	0.89	0.87

<b>Indicator Scores, 2002-2013</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
65. Arts and culture share of foundation funding	0.98	1.00	1.02	1.00	0.97	0.85	1.00	0.84	0.89	0.74	0.78	
66. Arts share of corporate giving		1.00	0.86	0.97	1.21	1.14	0.94	0.91	0.77	0.76	0.81	0.76
67. Federal government arts and culture funding per capita	0.99	1.00	1.03	1.02	0.97	0.95	0.96	1.00	0.93	0.88	0.86	0.88
68. Arts and culture share of federal domestic discretionary spending	1.04	1.00	1.02	0.97	0.93	0.94	0.95	0.89	0.75	0.75	0.79	0.88
69. State arts agency funding per capita	1.19	1.00	0.76	0.79	0.82	0.84	0.81	0.75	0.65	0.59	0.55	0.57
70. State arts agency share of state general fund expenditures	1.15	1.00	0.77	0.78	0.78	0.76	0.76	0.71	0.64	0.60	0.56	0.58
71. Population share attending Broadway shows in New York or on tour	0.95	1.00	1.03	1.44	1.34	1.30	1.18	1.09	1.20	0.98	0.94	1.02
72. Population share attending live popular music		1.00	1.03	1.03	0.98	0.96	0.94	0.96	0.89	1.02	1.09	1.10
73. Population share attending symphony, dance, opera, and theatre		1.00	0.98	0.95	0.91	0.88	0.83	0.83	0.80	0.81	0.78	0.77
74. Population share visiting art museums		1.00	0.97	0.97	0.91	0.88	0.87	0.85	0.86	0.84	0.85	0.83
75. Population share attending opera	1.03	1.00	1.08	1.03	1.06	1.09	0.93	0.88	0.81	0.68	0.74	0.78
76. Population share attending symphony	1.10	1.00	0.99	0.93	1.02	1.01	0.99	0.87	0.88	0.90	0.85	1.06
77. Population share attending nonprofit professional theatre	0.95	1.00	0.93	0.93	0.86	0.87	0.89	0.83	0.85	0.92	0.99	0.93
78. Year-end value of the Mei Moses® All Art index	0.90	1.00	1.14	1.29	1.53	1.77	1.68	1.35	1.58	1.78	1.78	1.77
79. US share of world creative goods trade	1.07	1.00	0.96	0.93	0.91	0.78	0.75	0.72	0.74	0.70	0.72	
80. Return on assets of arts businesses	0.84	1.00	1.09	0.95	0.77	1.06	0.81	1.09	0.98	1.01	1.12	0.93
81. Share of nonprofit arts organizations with end-of-year surplus	1.01	1.00	1.03	1.05	1.09	1.10	1.02	0.94	0.98	0.96	0.96	1.00
<b>Retired indicators 2001-2010/11</b>												
Corporate arts and culture funding	1.155	1.000	0.928	1.060	1.141	1.132	0.889	0.744	0.586			
Personal arts creativity experiences		1.000	1.030	1.025	1.074	1.128	1.106	1.076	1.081			
Museum visits	0.902	1.000	0.984	1.161	1.105	1.037	1.048	1.042	1.012			
Citations of arts and culture in bibliographic databases	1.017	1.000	0.958	0.852	0.937	1.027	1.024	0.877	0.840			
Population share engaged in personal creativity activities	1.049	1.000	1.021	1.006	1.045	1.086	1.055	1.018	1.013			
Arts, culture, and humanities in the Philanthropic Giving Index	1.405	1.000	1.464	1.400	1.373	1.183	1.137	0.895				
Arts, culture, and humanities in the Philanthropic Giving Index	1.405	1.000	1.464	1.400	1.373	1.183	1.137	0.895				

## APPENDIX E: INDICATOR DATA SOURCES

Indicator	Source / Link
1. Songwriter and composer performing rights royalties	ASCAP and BMI, retrieved from <a href="http://www.ascap.com/new/">http://www.ascap.com/new/</a> and <a href="http://bmi.com/press/">http://bmi.com/press/</a>
2. Wages in artistic occupations	Bureau of Labor Statistics, Occupational Employment Statistics, retrieved from <a href="http://www.bls.gov/oes/#tables">http://www.bls.gov/oes/#tables</a> full-time status from <a href="http://www.arts.gov/research/ArtistsInWorkforce.pdf">http://www.arts.gov/research/ArtistsInWorkforce.pdf</a>
3. Payroll in arts and culture industries	Bureau of the Census, County Business Patterns, retrieved from <a href="http://www.census.gov/econ/cbp/">http://www.census.gov/econ/cbp/</a>
4. Publishing industry revenue	American Association of Publishers, retrieved from <a href="http://www.bisg.org">http://www.bisg.org</a> with assistance from AAP staff
5. Bookseller sales	Bureau of the Census, Monthly Retail Sales, retrieved from <a href="http://www.census.gov/retail/index.html">http://www.census.gov/retail/index.html</a>
6. Musical instrument sales	National Association of Music Merchants, <i>NAMM Global Report Featuring Music USA</i> annual report, retrieved from <a href="https://www.namm.org/files/ihdp-viewer/global-report-2015/">https://www.namm.org/files/ihdp-viewer/global-report-2015/</a> with assistance from NAMM staff
7. Recording industry shipment value	Recording Industry Association of America, 2008 Year-End Shipment Statistics, retrieved from <a href="http://riaa.org/keystatistics.php">http://riaa.org/keystatistics.php</a>
8. Total album sales	SoundScan Year-End Music Sales Reports retrieved from <a href="http://www.nielsen.com/content/dam/corporate/us/en/public%20factsheets/Soundscan/nielsen-2014-year-end-music-report-us.pdf">http://www.nielsen.com/content/dam/corporate/us/en/public%20factsheets/Soundscan/nielsen-2014-year-end-music-report-us.pdf</a> , prior data provided by SoundScan
9. Concert industry ticket sales	Data provided to Americans for the Arts by <i>Pollstar</i>
10. Exports of creative goods	United Nations Conference on Trade and Development, retrieved from <a href="http://unctadstat.unctad.org/ReportFolders/reportFolders.aspx">http://unctadstat.unctad.org/ReportFolders/reportFolders.aspx</a>
11. Revenue of arts and culture nonprofits	Data provided to Americans for the Arts by National Center for Charitable Statistics at the Urban Institute
Retired. Corporate arts and culture funding	Conference Board, <i>2011 Corporate Contributions Report</i>
12. Foundation arts and culture funding	Foundation Center FCStats, retrieved from <a href="http://foundationcenter.org/findfunders/statistics/g_s_subject.html">http://foundationcenter.org/findfunders/statistics/g_s_subject.html</a>
13. Private giving to arts and culture	Giving USA Foundation, <i>Giving USA</i> annual publication
14. United arts fundraising campaigns	Americans for the Arts, collected for the United States Urban Arts Federation
15. Federal government arts and culture funding	Data assembled by Americans for the Arts, also Federal budgets published by the General Printing Office, retrieved from <a href="http://www.gpo.gov/fdsys/browse/collectionGPO.action?collectionCode=BUDGET">http://www.gpo.gov/fdsys/browse/collectionGPO.action?collectionCode=BUDGET</a>
16. State arts agency legislative appropriations	National Assembly of State Arts Agencies <i>Legislative Appropriations Annual Survey</i> at <a href="http://www.nasaa-arts.org/Research/Grant-Making/index.php">http://www.nasaa-arts.org/Research/Grant-Making/index.php</a>
17. Local government funding of local arts agencies	Americans for the Arts, collected for the United States Urban Arts Federation
18. Artists in the workforce	National Endowment for the Arts Research Notes 76, 87, 90, and 97 retrieved from <a href="http://www.arts.gov/research/ResearchNotes_chrono.html">http://www.arts.gov/research/ResearchNotes_chrono.html</a> , additional data provided by Office of Research and Analysis
19. Workers in arts and culture occupations	Bureau of Labor Statistics, Occupational Employment Statistics, retrieved from <a href="http://www.bls.gov/oes/#tables">http://www.bls.gov/oes/#tables</a> full-time status from <a href="http://www.arts.gov/research/ArtistsInWorkforce.pdf">http://www.arts.gov/research/ArtistsInWorkforce.pdf</a>
20. Employees in arts and culture industries	Bureau of the Census, County Business Patterns, retrieved from <a href="http://www.census.gov/econ/cbp/">http://www.census.gov/econ/cbp/</a>
21. "Creative Industries" employment	Americans for the Arts; data collected for the annual Creative Industries reports described at <a href="http://www.americansforthearts.org/information_services/research/services/creative_industries/default.asp">http://www.americansforthearts.org/information_services/research/services/creative_industries/default.asp</a>
22. Arts union membership	Office of Labor Management Standards, Department of Labor, retrieved from <a href="http://kcerds.dol-esa.gov/query/getOrgQry.do">http://kcerds.dol-esa.gov/query/getOrgQry.do</a>
23. CD and record stores	Data provided by Almighty Music Marketing, <a href="http://www.almightymusicmarketing.com">www.almightymusicmarketing.com</a>
24. Independent artists, writers, and performers	Bureau of the Census, Non-Employer Statistics, retrieved from <a href="http://www.census.gov/econ/nonemployer/index.html">http://www.census.gov/econ/nonemployer/index.html</a>
25. Movie screens	Motion Picture Association of America, <i>Theatrical Market Statistics</i> , retrieved from <a href="http://www.mpa.org/wp-content/uploads/2014/03/MPAA-Theatrical-Market-Statistics-2013_032514-v2.pdf">http://www.mpa.org/wp-content/uploads/2014/03/MPAA-Theatrical-Market-Statistics-2013_032514-v2.pdf</a>
26. Establishments in arts and culture industries	Bureau of the Census, County Business Patterns, retrieved from <a href="http://www.census.gov/econ/cbp/">http://www.census.gov/econ/cbp/</a>
27. "Creative Industries" establishments	Americans for the Arts; data collected for the annual Creative Industries reports described at <a href="http://www.americansforthearts.org/information_services/research/services/creative_industries/default.asp">http://www.americansforthearts.org/information_services/research/services/creative_industries/default.asp</a>
28. Registered arts and culture 501(c)(3) organizations	Data provided to Americans for the Arts by National Center for Charitable Statistics at the Urban Institute
29. Arts support organizations	Data provided to Americans for the Arts by National Center for Charitable Statistics at the Urban Institute
30. Capital investment in arts and culture industries	Bureau of Economic Analysis, retrieved from <a href="http://www.bea.gov/national/FA2004/Details/xls/detailnonres_stk1.xlsx">http://www.bea.gov/national/FA2004/Details/xls/detailnonres_stk1.xlsx</a>
31. Capital investment in nonprofit arts organizations	Data provided to Americans for the Arts by National Center for Charitable Statistics at the Urban Institute
32. Artistic assets in the national income accounts	Bureau of Economic Analysis, retrieved from <a href="http://www.bea.gov/national/FA2004/Details/xls/detailnonres_stk1.xlsx">http://www.bea.gov/national/FA2004/Details/xls/detailnonres_stk1.xlsx</a>

Indicator	Source / Link
33. Copyright applications	Copyright Office, Library of Congress, retrieved from reports at <a href="http://copyright.gov/history/annual_reports.html">http://copyright.gov/history/annual_reports.html</a> , additional figures provided by Copyright Office staff.
34. Personal expenditures on arts and culture	Bureau of Economic Analysis, National Income and Products Accounts Table, retrieved from <a href="http://bea.gov/iTable/iTable.cfm?ReqID=9&amp;step=1#reqid=9&amp;step=1&amp;isuri=1">http://bea.gov/iTable/iTable.cfm?ReqID=9&amp;step=1#reqid=9&amp;step=1&amp;isuri=1</a>
Retired. Personal arts creativity experiences	Bureau of the Census, <i>Statistical Abstract of the United States</i> , <a href="http://www.census.gov/library/publications/2011/compendia/statab/131ed.html">http://www.census.gov/library/publications/2011/compendia/statab/131ed.html</a>
35. Engagement in the arts	Bureau of Labor Statistics, retrieved from <a href="http://www.bls.gov/tus/#tables">http://www.bls.gov/tus/#tables</a>
36. New work in theatre, orchestra, opera, Broadway, and film	Compiled from data from Broadway League, League of American Orchestras, Motion Picture Association of America, Opera America, and Theatre Communications Group
37. Books published on music, theatre, dance, or art	Books in Print database accessed at Muhlenberg College, Allentown, PA
38. Volunteering for the arts	Bureau of the Census, Current Population Survey, retrieved via Data Ferret at <a href="http://dataferrett.census.gov/">http://dataferrett.census.gov/</a>
39. Arts work in volunteering	Bureau of the Census, Current Population Survey, retrieved via Data Ferret at <a href="http://dataferrett.census.gov/">http://dataferrett.census.gov/</a>
40. Performance of SAT test takers with four years of art or music	College Board, College-Bound Seniors, retrieved from <a href="http://media.collegeboard.com/digitalServices/pdf/research/2013/TotalGroup-2013.pdf">http://media.collegeboard.com/digitalServices/pdf/research/2013/TotalGroup-2013.pdf</a>
41. Arts majors by college bound seniors	College Board, College-Bound Seniors, retrieved from <a href="http://media.collegeboard.com/digitalServices/pdf/research/2013/TotalGroup-2013.pdf">http://media.collegeboard.com/digitalServices/pdf/research/2013/TotalGroup-2013.pdf</a>
42. Visual and performing arts degrees	National Center for Education Statistics retrieved from <a href="http://nces.ed.gov/ipeds/datacenter/login.aspx">http://nces.ed.gov/ipeds/datacenter/login.aspx</a>
43. Non-commercial radio listenership	Arbitron Nationwide Spring Quarter M-Su 6a-Mid 12+ CPB-Station Cume Rating, compiled by Radio Research Consortium, data copyright Arbitron. Recent data from "Public Radio Today" annual report available at <a href="http://www.arbitron.com/study/publicrt.asp">http://www.arbitron.com/study/publicrt.asp</a> or <a href="http://www.nielsen.com/us/en/insights/reports/2015/state-of-the-media-audio-today-how-america-listens.html">http://www.nielsen.com/us/en/insights/reports/2015/state-of-the-media-audio-today-how-america-listens.html</a>
44. Public television viewing	Data provided to Americans for the Arts by Public Broadcasting System
45. Foreign visitor participation in arts and culture leisure activity	Data provided to Americans for the Arts by Department of Commerce, International Trade Administration
46. Attendance at Broadway shows in New York	Broadway League, Broadway Season Statistics, retrieved from <a href="http://www.broadwayleague.com/index.php?url_identifier=research-and-information-1">http://www.broadwayleague.com/index.php?url_identifier=research-and-information-1</a>
47. Attendance at touring Broadway shows	Broadway League, Broadway Season Statistics, retrieved from <a href="http://www.broadwayleague.com/index.php?url_identifier=research-and-information-1">http://www.broadwayleague.com/index.php?url_identifier=research-and-information-1</a>
48. Attendance at live popular music	Data purchased by Americans for the Arts from Scarborough Research, <a href="http://www.scarborough.com">www.scarborough.com</a>
49. Attendance at symphony, dance, opera, and theatre	Data purchased by Americans for the Arts from Scarborough Research, <a href="http://www.scarborough.com">www.scarborough.com</a>
50. Motion picture attendance	National Association of Theater Owners, retrieved from <a href="http://www.mpa.org/wp-content/uploads/2014/06/MPAA-Theatrical-Market-Statistics-2013.pdf">http://www.mpa.org/wp-content/uploads/2014/06/MPAA-Theatrical-Market-Statistics-2013.pdf</a>
51. Art museum visits	Data purchased by Americans for the Arts from Scarborough Research, <a href="http://www.scarborough.com">www.scarborough.com</a>
Retired. Museum visits	Data provided to Americans for the Arts by American Association of Museums
52. Opera attendance	Data provided to Americans for the Arts by Opera America
53. Symphony attendance	Data provided to Americans for the Arts by League of American Orchestras
54. Nonprofit professional theatre attendance	Theatre Communications Group Theatre Facts annual report, retrieved from <a href="http://www.tcg.org/tools/facts/">http://www.tcg.org/tools/facts/</a>
Retired. Citations of arts and culture in bibliographic databases	Selected ProQuest, Gale, Ebsco, and Wilson databases accessed at Muhlenberg College, Allentown, PA, and Lehigh University, Bethlehem, PA
Retired. Population share engaged in personal creativity activities	Bureau of the Census, <i>Statistical Abstract of the United States</i> , <a href="http://www.census.gov/library/publications/2011/compendia/statab/131ed.html">http://www.census.gov/library/publications/2011/compendia/statab/131ed.html</a>
55. Arts and culture share of private giving	Giving USA Foundation, <i>Giving USA</i> annual publication
56. Visual and performing arts share of all degrees	National Center for Education Statistics retrieved from <a href="http://nces.ed.gov/ipeds/datacenter/login.aspx">http://nces.ed.gov/ipeds/datacenter/login.aspx</a>
57. Arts and culture share of personal expenditures	Bureau of Economic Analysis, National Income and Products Accounts Table, retrieved from <a href="http://bea.gov/iTable/iTable.cfm?ReqID=9&amp;step=1#reqid=9&amp;step=1&amp;isuri=1">http://bea.gov/iTable/iTable.cfm?ReqID=9&amp;step=1#reqid=9&amp;step=1&amp;isuri=1</a>
58. Arts share of GDP	Arts and Cultural Production Satellite Account (ACPSA), U.S. Bureau of Economic Analysis, retrieved from <a href="http://arts.gov/news/2013/us-bureau-economic-analysis-and-national-endowment-arts-release-preliminary-report-impact">http://arts.gov/news/2013/us-bureau-economic-analysis-and-national-endowment-arts-release-preliminary-report-impact</a>
59. Visual and performing arts share of all degrees	National Center for Education Statistics retrieved from <a href="http://nces.ed.gov/ipeds/datacenter/login.aspx">http://nces.ed.gov/ipeds/datacenter/login.aspx</a>
60. Share of employees in arts and culture industries	Bureau of the Census, County Business Patterns, retrieved from <a href="http://www.census.gov/econ/cbp/">http://www.census.gov/econ/cbp/</a>
61. Share of workers in arts and culture occupations	Bureau of Labor Statistics, Occupational Employment Statistics, retrieved from <a href="http://www.bls.gov/oes/#tables">http://www.bls.gov/oes/#tables</a> full-time status from <a href="http://www.arts.gov/research/ArtistsInWorkforce.pdf">http://www.arts.gov/research/ArtistsInWorkforce.pdf</a>
62. Share of payroll in arts and culture industries	Bureau of the Census, County Business Patterns, retrieved from <a href="http://www.census.gov/econ/cbp/">http://www.census.gov/econ/cbp/</a>
63. Share of SAT I test takers with four years of art or music	College Board, College-Bound Seniors, retrieved from <a href="http://media.collegeboard.com/digitalServices/pdf/research/2013/TotalGroup-2013.pdf">http://media.collegeboard.com/digitalServices/pdf/research/2013/TotalGroup-2013.pdf</a>

Indicator	Source / Link
64. Share of establishments in arts and culture industries	Bureau of the Census, County Business Patterns, retrieved from <a href="http://www.census.gov/econ/cbp/">http://www.census.gov/econ/cbp/</a>
65. Arts and culture share of foundation funding	Foundation Center FCStats, retrieved from <a href="http://foundationcenter.org/findfunders/statistics/gs_subject.html">http://foundationcenter.org/findfunders/statistics/gs_subject.html</a>
Retired. Arts and culture share of corporate funding	Conference Board, <i>2011 Corporate Contributions Report</i>
66. Arts and culture share of corporate funding (CECP)	Committee Encouraging Corporate Philanthropy <i>Giving in Numbers</i> , retrieved from <a href="http://www.corporatephilanthropy.org/research/benchmarking-reports/giving-in-numbers.html">http://www.corporatephilanthropy.org/research/benchmarking-reports/giving-in-numbers.html</a>
67. Federal government arts and culture funding per capita	Data assembled by Americans for the Arts, also Federal budgets published by the General Printing Office, retrieved from <a href="http://www.gpo.gov/fdsys/browse/collectionGPO.action?collectionCode=BUDGET">http://www.gpo.gov/fdsys/browse/collectionGPO.action?collectionCode=BUDGET</a>
68. Arts and culture share of federal domestic discretionary spending	Data assembled by Americans for the Arts, also Federal budgets published by the General Printing Office, retrieved from <a href="http://www.gpo.gov/fdsys/browse/collectionGPO.action?collectionCode=BUDGET">http://www.gpo.gov/fdsys/browse/collectionGPO.action?collectionCode=BUDGET</a>
69. State arts agency funding per capita	National Assembly of State Arts Agencies <i>Legislative Appropriations Annual Survey</i> at <a href="http://www.nasaa-arts.org/Research/Grant-Making/index.php">http://www.nasaa-arts.org/Research/Grant-Making/index.php</a>
70. State arts agency share of state general fund expenditures	National Assembly of State Arts Agencies <i>Legislative Appropriations Annual Survey</i> at <a href="http://www.nasaa-arts.org/Research/Grant-Making/index.php">http://www.nasaa-arts.org/Research/Grant-Making/index.php</a>
71. Population share attending Broadway shows in New York or on tour	Broadway League, Broadway Season Statistics, retrieved from <a href="http://www.broadwayleague.com/index.php?url_identifier=research-and-information-1">http://www.broadwayleague.com/index.php?url_identifier=research-and-information-1</a>
72. Population share attending live popular music	Data purchased by Americans for the Arts from Scarborough Research, <a href="http://www.scarborough.com">www.scarborough.com</a>
73. Population share attending symphony, dance, opera, and theatre	Data purchased by Americans for the Arts from Scarborough Research, <a href="http://www.scarborough.com">www.scarborough.com</a>
74. Population share visiting art museums	Data purchased by Americans for the Arts from Scarborough Research, <a href="http://www.scarborough.com">www.scarborough.com</a>
75. Population share attending opera	Data provided to Americans for the Arts by Opera America
76. Population share attending symphony	Data provided to Americans for the Arts by League of American Orchestras
77. Population share attending nonprofit professional theatre	Theatre Communications Group Theatre Facts annual report, retrieved from <a href="http://www.tcg.org/tools/facts/">http://www.tcg.org/tools/facts/</a>
78. Year-end value of the Mei Moses® All Art index	Data provided by Beautiful Asset Advisors® LLC, <a href="http://www.artasanasset.com">http://www.artasanasset.com</a>
79. U.S. share of world creative goods trade	United Nations Conference on Trade and Development, retrieved from <a href="http://unctadstat.unctad.org/ReportFolders/reportFolders.aspx">http://unctadstat.unctad.org/ReportFolders/reportFolders.aspx</a>
Retired. Arts, culture, and humanities in the Philanthropic Giving Index	Data provided to Americans for the Arts by Indiana University Center on Philanthropy
80. Return on assets of arts businesses	Robert Morris Associates <i>Annual Statement Studies</i> annual publication
81. Share of nonprofit arts organizations with end-of-year surplus	Data provided to Americans for the Arts by National Center for Charitable Statistics at the Urban Institute

## APPENDIX F: RETIRED INDICATORS

To make their past values available to readers, we include in this Appendix the one-page analyses that were last published in the 2012 Arts Index report for seven indicators. The indicators, their producer, and the reason they are being “retired” are shown below, with the one-page reports following.

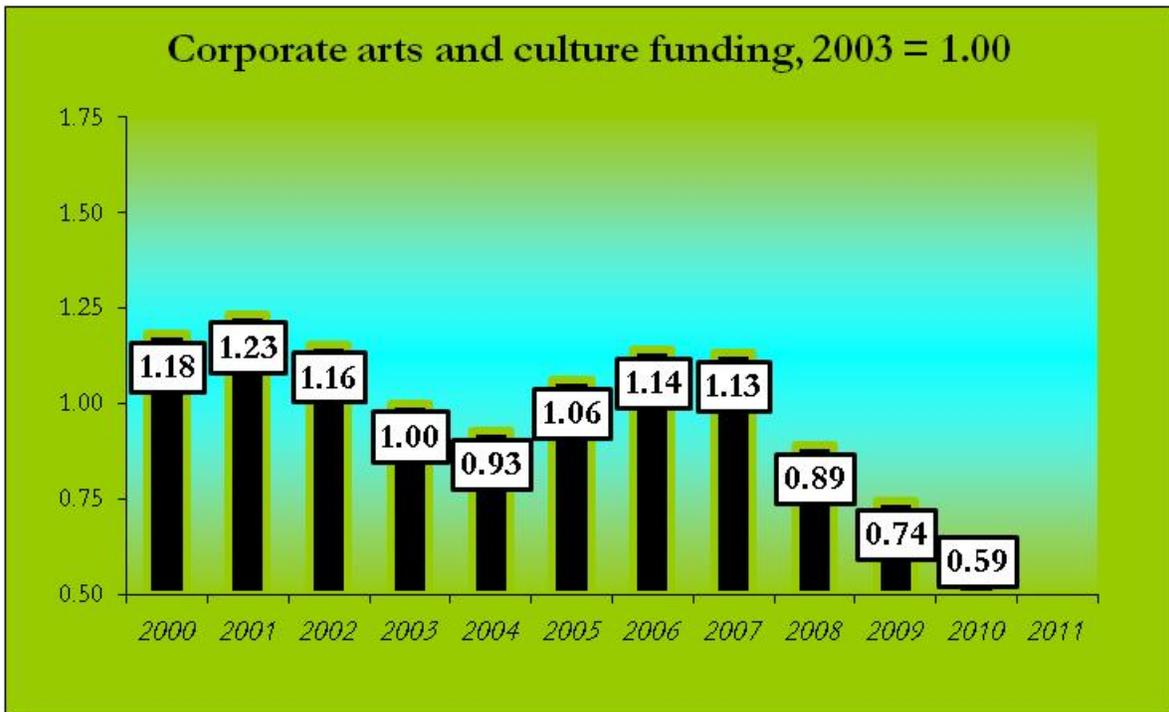
Indicator	Producer	ACBS Dimension	Why retired?	2012 indicator number / page
Corporate arts and culture funding	Conference Board	Financial Flows	Report merged into Committee for Effective Corporate Philanthropy “By the Numbers”	12 / 31
Personal arts creativity experiences	Bureau of the Census	Arts Participation	Statistical Abstract of the United States no longer produced	33 / 58
Museum visits	American Alliance of Museums	Arts Participation	Data series no longer produced	51 / 76
Citations of arts and culture in bibliographic databases	NAI researchers	Arts Participation	Too much change in bibliographic databases	55 / 80
Population share engaged in personal creativity activities	Bureau of the Census	Competitiveness	Statistical Abstract of the United States no longer produced	56 / 84
Arts and culture share of corporate funding	Conference Board	Competitiveness	Report merged into Committee for Effective Corporate Philanthropy “By the Numbers”	66 / 94
Arts, culture, and humanities in the Philanthropic Giving Index	Indiana University Center on Philanthropy	Competitiveness	Index no longer produced	81 / 109

## CORPORATE ARTS AND CULTURE FUNDING (INDICATOR DATA ENDED IN 2010)

Along with individuals and foundations, businesses are the third major source of private support of the arts. The Conference Board surveys major corporations every year on their charitable contributions including the sectors to which they give. Response levels range from 139 to 232 companies. The Board estimated that in 2006, these contributions represented 62 percent of overall corporate contributions from U.S.-based companies.

Respondents to Conference Board surveys typically are major corporations. It is important to note that besides these large companies, small businesses that number in the millions also contribute to arts and culture activity, though usually at lower levels. The 2009 value of this indicator is interpolated (half-way) between reported 2008 and 2010 figures; there was no Conference Board 2009 survey.

This indicator measures total corporate giving (by survey respondents) targeted to arts and culture. The survey is annual, but different companies respond each year. Reported support of the arts doubled from \$2.2 billion to \$4.0 billion between 1998 and 2007, but clearly declined in the late 2000s. This is a broad-based look at what has been one of the most widely recognized consequences of the economic downturn: the decline in private sector funding.

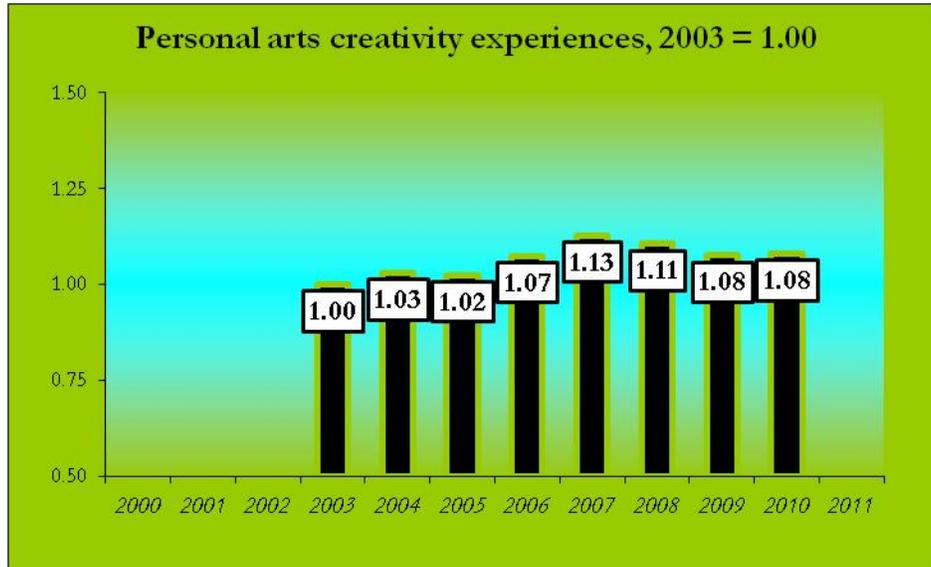


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total corporate giving to the arts (\$000)	346,527	372,394	354,092	313,465	298,647	352,841	391,911	400,009	326,190	272,015	217,840
CPI at 2008 = 100.0	80.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3
Constant dollar corporate support of the arts (\$000)	433,259	452,718	423,769	366,788	340,385	388,974	418,544	415,362	326,190	272,982	215,087
Indexed to 2003 = 1.00	1.18	1.23	1.16	1.00	0.93	1.06	1.14	1.13	0.89	0.74	0.59

## PERSONAL ARTS CREATIVITY EXPERIENCES (INDICATOR DATA ENDED IN 2010)

Personal engagement in the creative process is a basic driver of arts and culture vitality, typically driven by individual creativity, a desire to express oneself, and interest in creative technique. Some evidence of personal engagement and creativity is shown in the indicator that measures purchases of musical instruments. Writing poetry and prose, and exploring movement through dance or drama through theatre are other examples of this engagement, as are creation of visual arts through painting or drawing. Photography is another individual creative process, one that has both grown in accessibility and declined in expense with the advent of digital photography.

This indicator uses Mediamark data reported in the Statistical Abstract of the U.S. to measure activity in making music, painting, drawing, and/or photography. These activities have engaged tens of millions of Americans in recent years, with total participation exceeding 60 million in 2007. These totals do not differentiate between those people who participate in only one of these creative activities and those who participate in all of them; there are certainly people who paint, take photographs, *and* play musical instruments. Thus, this is a maximum number of participants, and clearly not a comprehensive list of all creative activities, only those covered by this data source. For example, the Statistical Abstract reported that between 2 and 3 million people also participated in ceramics through 2006 (it stopped reporting these data in 2007). It also does not count the 6.1 million Americans who indicate in the Current Population Survey that music making is their main form of volunteering, or the members in America's 250,000 choruses or many other community or social artistic activities. Following small decreases during the recession in 2008 and 2009, personal creation measures rose fractionally in 2010.

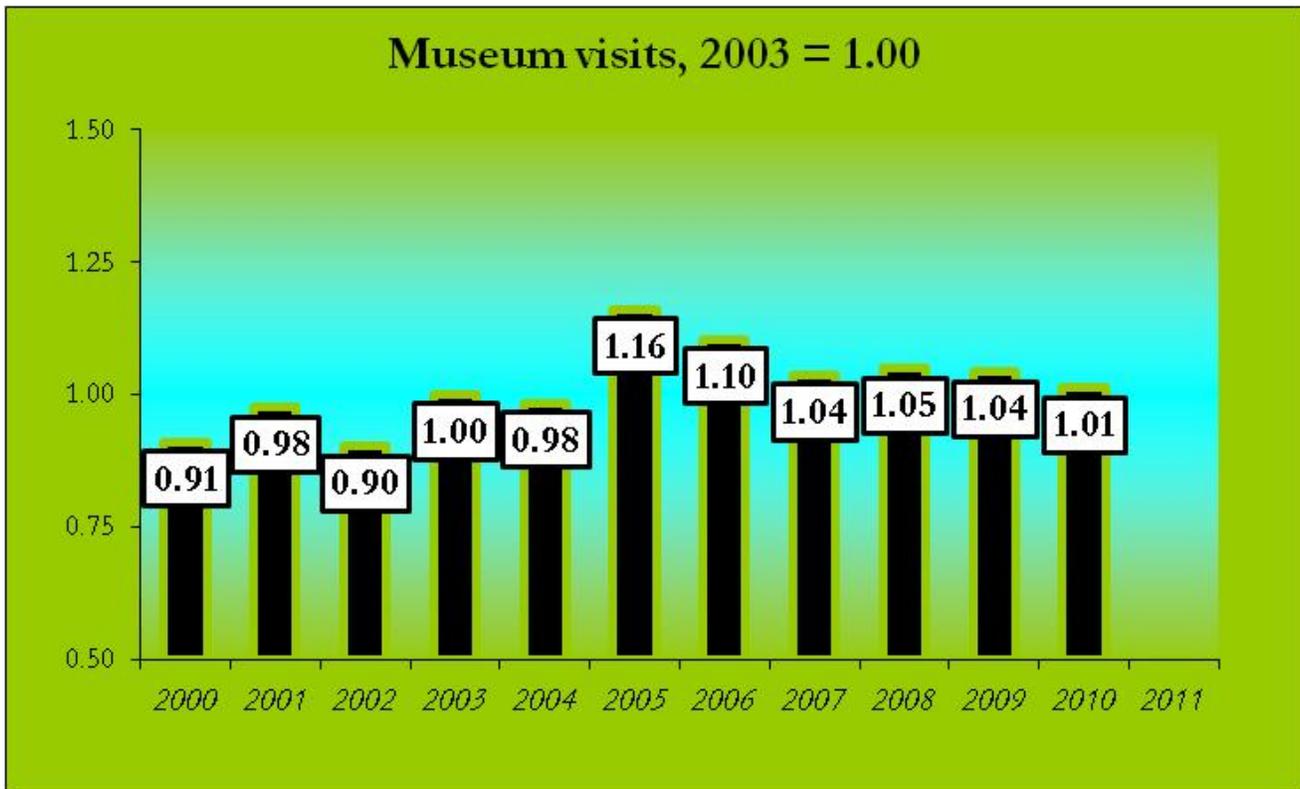


	2000-2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Painting, drawing (000)		15,145	14,089	14,020	13,746	12,356	15,146	14,425	13,681	13,791
Photography (000)		24,973	23,794	24,645	25,561	28,504	28,340	28,445	26,268	26,173
Play musical instrument (000)		15,744	15,828	16,680	15,727	16,852	17,108	16,526	17,863	18,078
Total participation in music making, painting, drawing, and/or photography (000)		55,862	53,711	55,345	55,034	57,712	60,594	59,396	57,812	58,042
Indexed to 2003 = 1.00	N/D	1.04	1.00	1.03	1.02	1.07	1.13	1.11	1.08	1.08

## MUSEUM VISITS (INDICATOR DATA ENDED IN 2010)

Museums are repositories of cultural materials, places of vision, often with singular appearance in architecture and presence, and prominently located in cities and towns. They are also destinations for visitors, whom they attract through permanent and special programs. A museum visit, with its opportunities for discovery and adventure, is a cultural experience that almost every American has had at least once, and they are important for education in art, history, culture, and the sciences. The American Association of Museums (AAM) gathers annual data from its members on operations, finances, and attendance, receiving between 600 and 900 total responses per year including between 100 museums that have responded every year that the survey has been administered.

This indicator measures the annual visitor counts at the median museum in this group of 100. AAM membership is diverse, comprising large metropolitan art museums, and specialized museums in smaller places, and much else besides. Nonetheless, the median attendance in that trend group tracks overall increases or decreases in attendance. While museum attendance declined after 2005, it still remains higher than in the late 1990s and its drop from 2008 to 2010 is less severe than those experienced by some other cultural institutions.

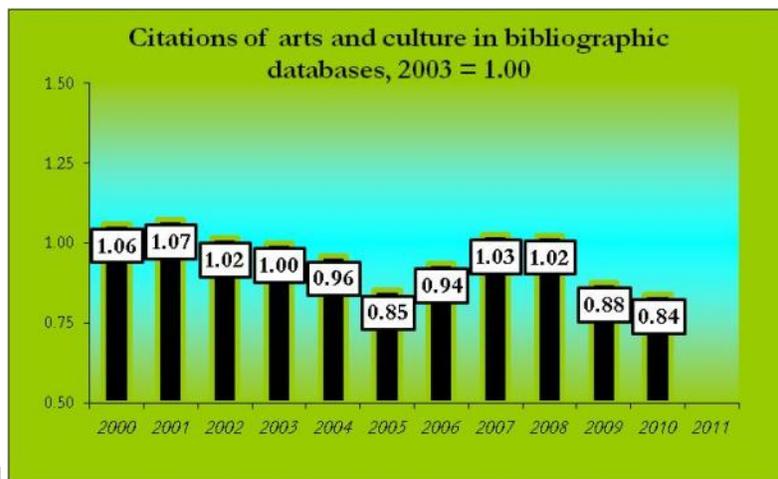


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Median attendance at museums	76,500	81,905	75,731	83,953	82,617	97,509	92,761	87,063	88,022	87,500	85,000
Indexed to 2003 = 1.00	0.91	0.98	0.90	1.00	0.98	1.16	1.10	1.04	1.05	1.04	1.01

## CITATIONS (INDICATOR DATA ENDED IN 2010)

Arts and culture activities in all domains are the subject of communication in conversation, correspondence, and writing. Much—probably most—of the interaction between people about the arts goes on away from the public view, or is only disseminated via the internet. However, many documents that are more formally published refer to arts and culture. In particular, we can measure what people write and publish about the arts in bibliographic databases of published work in newspapers, magazines, and academic journals.

This indicator shows how commonly some arts-related search terms are used as keywords in some well-known bibliographic research databases. The terms are: "Musician," "Artist," "Playwright," "Dancer," "Arts and Culture," "Creativity," "Aesthetic," "Arts Education", "Opera," "Fine Arts", "Theatre," and "Symphony." The databases were Ebsco Academic Search Premier, ProQuest Classic Research Library, ProQuest Dissertation, and WilsonWeb OmniFile, all of which are commonly used for scholarly research—but also for locating articles in magazines and newspapers with general circulation. The total of arts entries was compared to all entries in the databases. The arts terms ranged from about 224,000 entries dated 1999 to 477,000 by 2007, while total entries ranged from about 2.3 million to about 6.2 million. So, the arts-related items appear in between 6.3 percent and 8.0 percent of entries over those years.



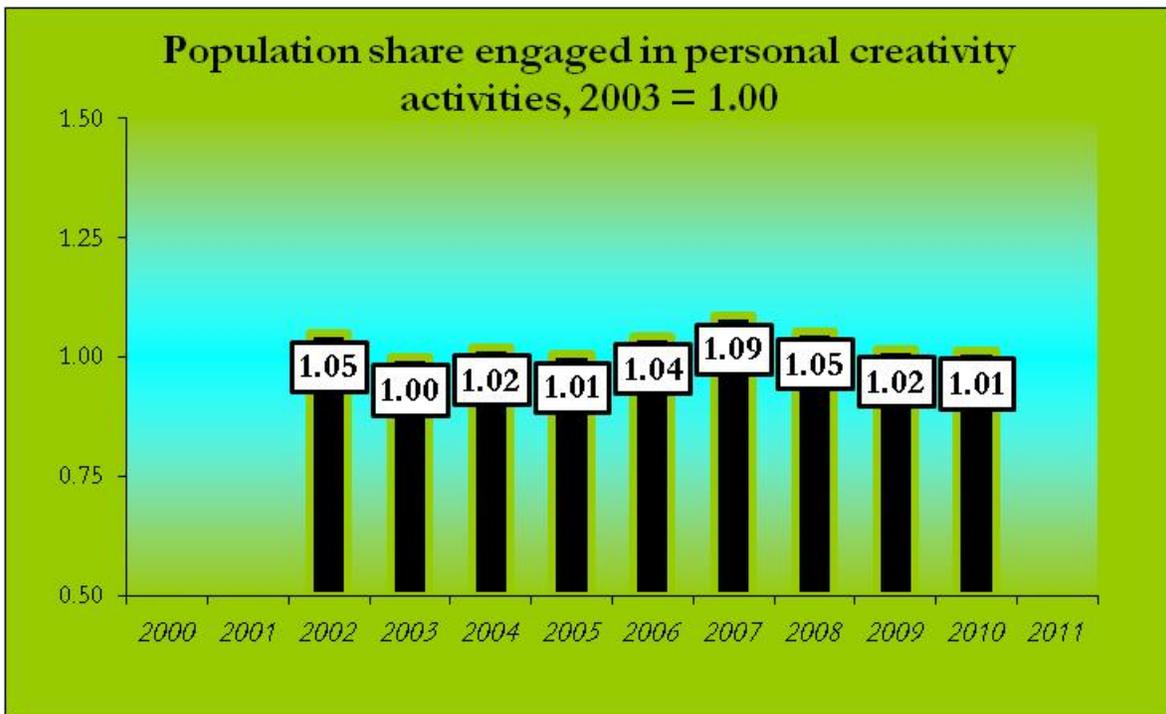
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	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total Articles	2,983,814	2,970,350	3,427,276	3,749,084	4,381,915	5,394,257	6,184,418	6,215,636	4,217,547	6,785,201	7,933,431
Keywords:											
Musician	24,553	24,431	24,962	26,057	28,258	30,163	39,436	50,204	33,296	49,647	54,451
Artist	74,620	73,844	78,434	85,653	95,837	101,503	121,064	132,478	98,103	118,628	135,319
Playwright	5,119	5,249	5,585	6,121	6,434	7,079	8,826	9,377	7,176	7,741	9,184
Dancer	8,717	8,941	9,811	10,761	11,145	12,494	18,551	20,567	13,180	18,274	20,395
"Arts and Culture"	1,278	1,407	1,451	1,681	1,935	2,198	3,147	3,446	2,141	2,358	2,725
Creativity	20,660	20,752	22,626	24,080	28,090	31,948	36,297	36,937	25,186	38,185	42,731
Aesthetic	18,617	19,600	22,133	24,406	28,091	32,747	35,818	33,870	17,907	26,442	30,445
"Arts Education"	1,907	2,190	2,180	2,317	2,640	2,986	3,973	4,454	3,537	2,648	3,220
Opera	18,925	19,333	21,582	23,166	26,706	29,596	36,189	36,455	27,541	33,410	37,560
"Fine Arts"	6,685	6,454	6,897	7,435	8,594	9,060	14,837	17,276	13,426	14,166	15,268
Theatre	47,683	48,623	56,817	59,743	66,516	72,847	99,671	114,258	69,911	117,991	127,954
Symphony	7,488	7,174	7,600	8,359	9,163	10,165	14,600	17,213	10,980	14,543	17,813
Total Arts Articles	236,252	237,998	260,078	279,779	313,409	342,786	432,409	476,535	322,384	444,033	497,065
Keywords % of Total	7.92%	8.01%	7.59%	7.46%	7.15%	6.35%	6.99%	7.67%	7.64%	6.54%	6.27%
Indexed to 2003=1.00	1.06	1.07	1.02	1.00	0.96	0.85	0.94	1.03	1.02	0.88	0.84

**POPULATION SHARE ENGAGED IN PERSONAL CREATIVITY ACTIVITIES (INDICATOR DATA ENDED IN 2010)**

People who engage directly in personal creativity do so in addition to (or even in place of) other choices that they make. As for many other variables, we calculate the share of the population that is engaged in personal creativity.

This indicator is created by taking the total of individuals involved in the specific creative activities reported using Mediamark data in the Statistical Abstract of the United States and dividing it by total U.S. population in that year. While total numbers are fluctuating, they generally changed in the same direction and scale as the overall population. This means that the maximum rate of participation in these specific activities peaked in 2007, declined to 18.8 percent of the population in 2009, and stayed at about that level in 2010.

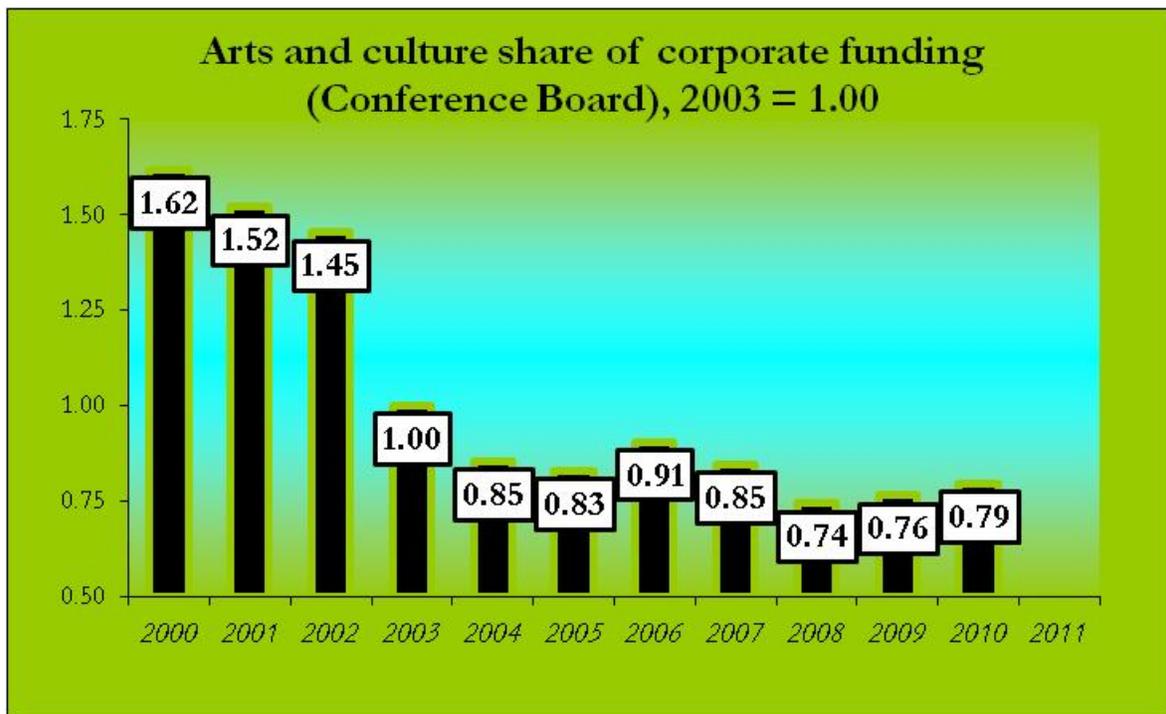


(All figures in 000)	2000-2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total participation in music making, painting, drawing, and/or photography		55,862	53,711	55,345	55,034	57,712	60,594	59,396	57,812	58,042
U.S. population (000)		287,804	290,326	293,046	295,753	298,363	301,580	304,375	307,007	309,629
Population share participating in music making, painting, drawing, and/or photography		19.4%	18.5%	18.9%	18.6%	19.3%	20.1%	19.5%	18.8%	18.7%
Indexed to 2003 = 1.00	N/D	1.05	1.00	1.02	1.01	1.04	1.09	1.05	1.02	1.01

## ARTS AND CULTURE SHARE OF CORPORATE FUNDING (CONFERENCE BOARD) (INDICATOR DATA ENDED IN 2010)

Corporate support is vital to the arts, and also to health, human services, environmental matters, education, and other areas of nonprofit activity. The Conference Board surveys major corporations every year on their charitable contributions including the sectors to which they give. Response levels range from 189 to 232 companies. The Conference Board estimates that in 2006, these contributions represented 62 percent of overall corporate contributions from U.S.-based companies that year. Respondents to Conference Board surveys typically are major corporations; it is important to note that besides these companies, many small businesses, numbering in the millions, also contribute to arts and culture activity, though typically at lower levels.

This indicator measures the share of total corporate giving (by survey respondents) targeted to arts and culture. The survey is annual, but different companies respond each year. The indicator shows how arts and culture compete for corporate dollars with other nonprofit service areas. Total corporate support reported in the survey grew strongly since the late 1990s, from \$2.1 billion to \$8.6 billion, a four-fold increase, before significant decreases in 2009 and 2010. The share of arts giving hovered in the 4.0 to 4.5 percent range between 2004 and 2010, as overall corporate giving declined across all areas of nonprofit service.

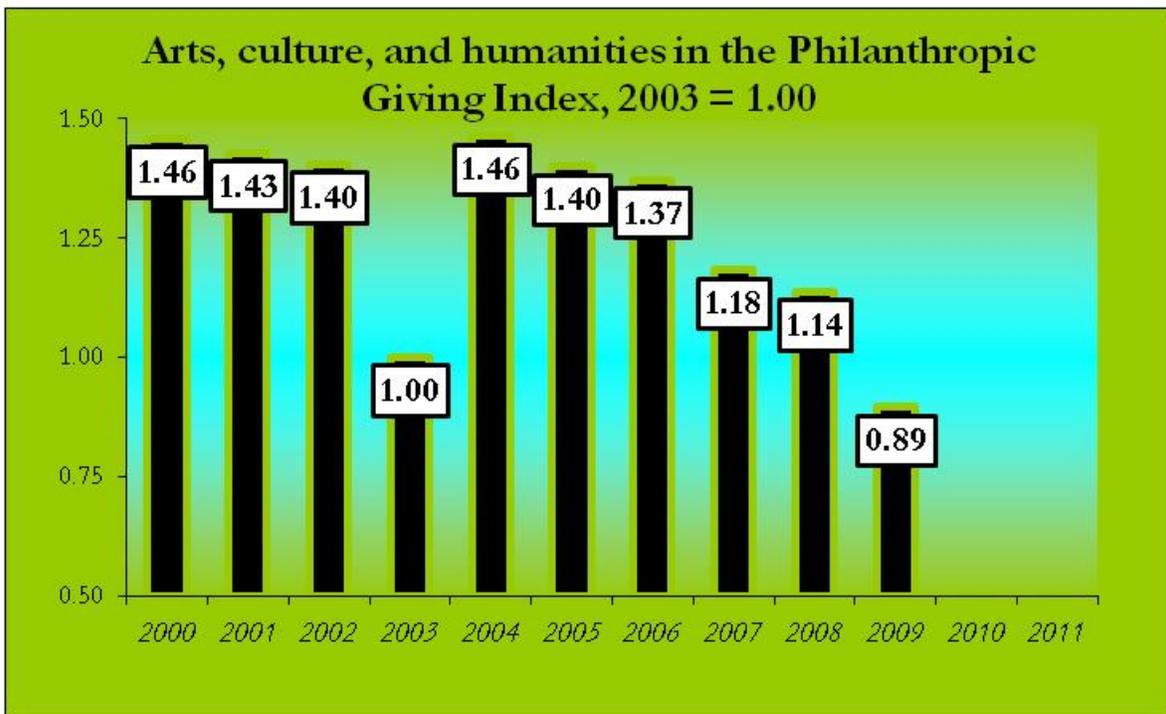


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total corporate philanthropy (\$M)	3,913	4,473	4,451	5,727	6,392	7,783	7,912	8,641	8,008	6,508	5,007
Total corporate giving to the arts (\$000)	346,527	372,394	354,092	313,465	298,647	352,841	391,911	400,009	326,190	272,015	217,840
Percent of corporate giving to the arts	8.9%	8.3%	8.0%	5.5%	4.7%	4.5%	5.0%	4.6%	4.1%	4.2%	4.4%
Indexed to 2003 = 1.00	1.62	1.52	1.45	1.00	0.85	0.83	0.91	0.85	0.74	0.76	0.79

**ARTS, CULTURE, AND HUMANITIES IN THE PHILANTHROPIC GIVING INDEX (INDICATOR DATA ENDED IN 2009)**

Professionals in the field of fundraising philanthropy are ideally positioned to report on expectations of future trends in philanthropy. The Indiana University Center on Philanthropy issues a semi-annual Philanthropic Giving Index (PGI), compiled using data gathered from fundraising professionals, who are surveyed twice each year regarding their assessment of the present fundraising environment, and their expectations for the coming six months. The PGI ranges from 0 to 100, with the highest score indicating the highest level of confidence. The Center also calculates index measures for seven subsectors of philanthropic activity, including arts, culture, and humanities.

This indicator shows the mid-year values of the Arts, Culture, and Humanities Index in the annual June PGI report. The dip in 2003, though drastic, is accurate, and probably reflects concerns from the beginning of the Iraq war. Though confidence rebounded in 2004, it declined every year since then through 2009, to a point even lower than in 2003.



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Arts, Culture, and Humanities Index of the Philanthropic Giving Index	95.5	93.6	92	65.5	95.9	91.7	89.9	77.5	74.5	58.6	
Indexed to 2003 = 1.00	1.46	1.43	1.40	1.00	1.46	1.40	1.37	1.18	1.14	0.89	N/D

## ABOUT THE AUTHORS

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**Roland J. Kushner, Ph.D.**, is associate professor of business at Muhlenberg College in Allentown, PA, where he teaches management, strategy, arts administration, and nonprofit management. He has a B.A. in history from Carleton University in Ottawa, Canada, and MBA and Ph.D. degrees from Lehigh University in Bethlehem, PA. He has conducted culture sector research projects for Americans for the Arts, Chorus America, Urban Institute, RAND, C. F. Martin & Company, and OPERA America, and provided management advisory services to many national and community organizations in the arts and other sectors. He wrote the instructor's manual to Arthur C. Brooks' "Social Entrepreneurship. A Modern Approach to Social Value Creation" (Pearson, 2009). His work has been published in *Nonprofit Management & Leadership*, *Journal of Cultural Economics*, *International Journal of Arts Management*, *Journal of Arts Management, Law, & Society*, *Journal of Higher Education*, and *Nonprofit & Voluntary Sector Quarterly*. In addition to the National Arts Index, he collaborates with Randy Cohen and Martin Cohen on the Local Arts Index project. A native of Ottawa, Canada, he has lived in Bethlehem, PA since 1980, where he is a performing songwriter and member of various nonprofit boards.

**Randy Cohen** is Vice President of Research and Policy at Americans for the Arts, the nation's advocacy organization for the arts. A member of the staff since 1991, Randy stands out as one of the most noted experts in the field of arts funding, research, policy, and using the arts to address community development issues. He publishes The National Arts Index, the annual measure of the health and vitality of arts in the U.S. as well as the two premier economic studies of the arts industry—Arts & Economic Prosperity, the national impact study of nonprofit arts organizations and their audiences; and Creative Industries, an annual mapping study of the nation's 702,000 arts establishments and their employees. Randy led the development of the National Arts Policy Roundtable, an annual convening of leaders who focus on the advancement of American culture, launched in 2006 in partnership with Robert Redford and the Sundance Institute. A sought after speaker, Randy has given speeches in 49 states, and regularly appears in the news media—including the Wall Street Journal, The New York Times, and on C-SPAN, CNN, CNBC, and NPR. His board work includes the League of Historic American Theaters, and the Takoma Park Arts & Humanities Commission, a municipal agency which he chaired for three years.

We are grateful for the assistance of Erika L. Davis, Muhlenberg College class of 2016.

## ABOUT AMERICANS FOR THE ARTS

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Americans for the Arts is the nation's leading nonprofit organization for advancing the arts in America. For more than 50 years, it has been dedicated to representing and serving local communities and creating opportunities for every American to participate in and appreciate all forms of the arts. From offices in Washington, D.C., and New York City, it serves more than 150,000 organizational and individual members and stakeholders.

Americans for the Arts is focused on four primary goals:

1. Lead and serve individuals and organizations to help build environments in which the arts and arts education thrive and contribute to more vibrant and creative communities.
2. Generate meaningful public and private sector policies and more leaders and resources for the arts and arts education.
3. Build individual awareness and appreciation of the value of the arts and arts education.
4. Ensure the operational stability of the organization and its ability to creatively respond to opportunities and challenges.

To achieve its goals, Americans for the Arts partners with local, state, and national arts organizations; government agencies; business leaders; individual philanthropists; educators; and funders throughout the country. It provides extensive arts-industry research and professional development opportunities for community arts leaders via specialized programs and services, including a content-rich website and an annual national convention.

Local arts agencies throughout the United States comprise Americans for the Arts' core constituency. A variety of unique partner networks with particular interests such as public art, united arts fundraising, arts education, and emerging arts leaders are also supported.

Through national visibility campaigns and local outreach, Americans for the Arts strives to motivate and mobilize opinion leaders and decision-makers who can make the arts thrive in America. Americans for the Arts produces annual events that heighten national visibility for the arts, including the National Arts Awards and BCA TEN honoring private-sector leadership and the Public Leadership in the Arts Awards (in cooperation with The United States Conference of Mayors) honoring elected officials in local, state, and federal government.

Americans for the Arts also hosts Arts Advocacy Day annually on Capitol Hill, convening arts advocates from across the country to advance federal support of the arts, humanities, and arts education.

For more information about Americans for the Arts, please visit [www.AmericansForTheArts.org](http://www.AmericansForTheArts.org).



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