NATIONAL ARTS INDEX

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

AMERICANS for the ARTS

2013
Report

NATIONAL ARTS INDEX 2013: AN ANNUAL MEASURE OF THE VITALITY OF ARTS AND CULTURE IN THE UNITED STATES: 2000-2011

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INTRODUCTION

This is the fourth 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 2013 National Arts Index is a highly-distilled measure or score of the health and vitality of arts in the U.S. It is composed of 78 equal-weighted, national-level indicators of arts and culture activity during the 12-year span of 2000 to 2011, set to a baseline of 2003= 100.0.

Indicators and trend measures are ubiquitous in our society, providing regular updates on areas of broad interest like the stock market or the overall economy. Indicators are well-known measures that provide a common language and understanding. If someone says that the "Dow" is going up or down, that Gross Domestic Product (GDP) is rising or falling, or that the unemployment rate has changed, we understand these to be broad measures, of stock market performance or overall economic strength. Indicators often compress large amounts of data into one number, and are calculated the same way every day (the Dow) and every quarter or year (GDP), or every month (unemployment) making it easy to compare past and present—and anticipate the future.

The National Arts Index is an annual measure of the vitality of arts and culture in the U.S. and represents the diverse character of the arts, its nonprofit and commercial organizations, individual artists and arts organizations, consumer spending and volunteer participation, philanthropy in support of the arts, creative expression, arts education, and more. It is a tool to stimulate public dialogue about the value of the arts as well as improve policy and decision-making—one that is more considered and lacks the fervor often associated with the typical impetus for such conversations ("*Funding cuts!*" or "*Public art controversy!*"). It provides **a common currency of language—a** way for more people to talk in an informed manner about the arts, using similar information and terms, about why change is occurring, where things are going in the future, and how the arts can stay vital.

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

These are the reasons it is important to understand how the arts thrive, enabling them to deliver these valuable benefits. It is this health and ability to thrive and sustain itself over time that we refer to as the "vitality" of arts and culture, and that is what the National Arts Index measures.

There are many individual studies of artists, markets, and audiences, but few of them focus on the whole arts system, and even those are intermittent. The National Arts Index is broad, systemic, and annual. The Index was introduced in January 2010 when the effects of the Great Recession were being felt, but with little clarity about how bad it would be for the arts. This 2013 report, fourth in the series, documents how the nation's arts sector fared pre-, during, and post-Recession.

While the National Arts Index annual score is one number, the full report has extensive detail on the many forms of arts and culture activity measured by the indicators. The Table of Contents on the following pages gives a quick view of all indicators. The data for these come from sources in the federal government and private-sector organizations. Past values of indicators are monitored and updated as sources revise historic data. Revisions, availability of new data, and expiry of other series all make the Index dynamic. Two new indicators are added in 2013, on volunteering for arts work, and on the share of households giving to the arts. However, seven indicators used in past reports are no longer available for 2011 or beyond. Thus, there are 78 indicators in this Index report.

All of the data are contextualized, set in their 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 0.5 percent per year—while total population grows 1 percent—then that art form is losing market share. In the recession, the economy shrank and the arts along with it—did the arts shrink more or less than the rest of the economy?

The 78 indicators 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 2011, the sector included 2.1 million artists in the U.S. workforce, 95,000 nonprofit arts organizations and 800,000 additional arts businesses, as well as hundreds of millions of arts consumers and audiences spending $153 billion. This report goes beyond individual stories about stabilization and sustainability in the arts, or declining demand and closing organizations, about individual communities and regions. The Index presents these stories as part of a broad evidence-based platform about the arts at a national level. What that context shows is that along with the rest of the economy, the arts have recovered slowly and unevenly. The arts appear to have set a new baseline in 2010 and 2011, and are positioned to grow in 2012 and beyond.

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EXECUTIVE SUMMARY

The 2013 National Arts Index delivers a score of the health and vitality of arts and culture in the United States in 2011. The National Arts Index is composed of 78 national-level indicators—the latest annual data produced by the federal government and private research organizations—and covers the 12-year span of 2000-11. The Index 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 effectively leveled-off in 2011 at 97.0, down just a fraction from a revised 2010 score of 97.2. The Index losses of the Great Recession of 2008-09 were swift and measurable: the two-year drop from 2007-09 far exceeded the five-year gains made between 2002 and 2007 (-5.4 percent vs. +3.6 percent, respectively).

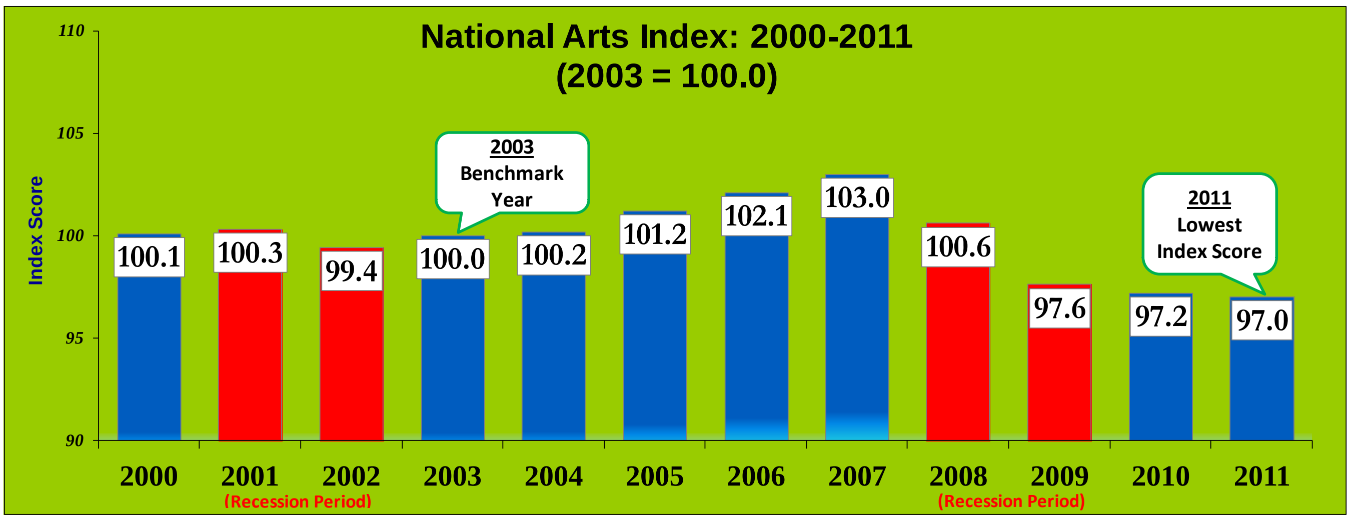


FIGURE A. NATIONAL ARTS INDEX

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, over half of the indicators increased annually. Between 2007 and 2009, however, less than one-third increased. While the arts rebounded in 2010 (43 percent of the indicators rose), there was slippage in 2011 (just 38 percent increased).

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.

Broad improvements in the economy, employment, and philanthropy since 2011 strongly suggest that the arts are poised for renewal.

CHAPTER 1. KEY FINDINGS FROM THE NATIONAL ARTS INDEX

The National Arts Index summary score of 97.0 in 2011, compared with an industry baseline of 100.0 in 2003, is only the tip of the iceberg, with many of the interesting findings just below the surface. This chapter calls out some key trends and findings from the 78 indicators, individually and in various groups. Five in particular are noted first, followed by some patterns in audience engagement, and other continuing trends and challenges.

1. **The arts industries are lagging as the economy recovers:** The arts are an economic force in the United States: 95,000 nonprofit arts organizations and 800,000 more arts businesses, 2.1 million artists active in the workforce, plus $153 billion in consumer spending. Figure A shows growth during the middle part of the past decade when the economy was growing, followed by a decline of the Index during the two most recent economic downturns, and a leveling off in parallel with economic strengthening. It appears that the economic recovery which started in 2009 did not positively affect the arts sectors until 2011.
2. **Fewer nonprofit arts organizations are active:** The population of registered 501(c)(3) nonprofit arts organizations grew to 113,000 in 2010. In 2011, however, there was a dramatic change, with the number dropping to 95,000—a loss of 18,000. Two reasons explain this drop. First is the recession, which affected numerous arts nonprofits—slowing the rate of new organizations being created, while accelerating the closing rate of those already struggling. Second, and most significantly, the IRS revoked the 501(C)(3) status of 275,000 nonprofits of all kinds that had failed to file annual returns for at least three years. While a small number of these may have been slow to file, the vast majority of those revocations affected nonprofits that had already ceased operations at some unknown point in the past. Despite this, the arts remain an entrepreneurial sector, especially when compared to other nonprofit sectors. Between 2000 and 2010, the number of new nonprofit arts organizations grew 49 percent (76,000 to 113,000), faster than all nonprofit organizations, which grew 32 percent (1.2 million to 1.6 million). Or to look at it another way, from 2003-10, a new nonprofit arts organization was created every three hours in the U.S.
3. **Arts nonprofits continue to be challenged financially:** The percentage of nonprofit arts organizations with an operating deficit (requiring them to amass debt or use cash reserves) showed improvement by decreasing in 2010, but then increased again slightly in 2011 (43.3 percent and 44.2 percent, respectively). This percentage of organizations with an operating deficit has ranged from 36 percent in 2007 (during a strong economy) to 45 percent in 2009 (the deepest part of the recession). For the small portion of organizations drawing interest from an endowment, this is a sound business practice. For most organizations in this category, however, it raises concerns about long-term sustainability. Larger-budget organizations were more likely to run a deficit than smaller ones; there was no predictable pattern based on specific arts discipline.
4. **Arts attendance remains fluid:** In 2011, 33 percent of the adult population attended a live performing arts event, up from 32 percent in 2010—notable as this is only the second increase since 2003 (when 40 percent attended a live performing arts event). Art museums attendance held steady with 13 percent of the population attending at least once (down from 15.5 percent in 2003). Overall, attendance at symphony and theatre increased in 2011 over 2010, while audiences for live opera and movies are getting smaller. Almost

certainly related is the decreasing share of households making contributions to the arts—a figure that has dropped annually since 2007, from 9.3 percent to 8.6 percent.

5. **Total charitable giving and overall employment help explain the health of the arts sector.** For the ten year period between 2002 and 2011, two economic forces were strongly correlated to the overall National Arts Index—total private giving to all charities, and the overall number of workers in all occupations—a combination of factors that explained 67 percent of the change in the Index value from 1999-2011. The significance of this finding is that it points to two bellwethers for the arts over the long term. 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 a consumer as well as make charitable contributions. At the same time, an environment where charitable giving rises is also healthy for the arts. Thus, the increases in employment and in overall levels of charitable giving in 2012 and 2013 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"). The digital age affords consumers the tools for more personally-curated engagement in their arts experiences. Technology lets consumers select between in-person participation and experiences as well as remote experience 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 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, nearly half of the nation's CD and record stores have disappeared. Digital downloads, however, now comprise $2.9 billion of recording industry revenue out of a total $7.1 billion. Annual data about downloads wasn't even collected until 2004, yet in 2011 it accounted for 50 percent of total music industry sales. "Access models" from providers like Pandora and Spotify represent an additional 15 percent of recording revenues. Movie theater attendance is decreasing, due in large part to legal (and pirated) digital formats. Similarly, bookseller revenues are down even through books in print are up, 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 (1,700 theaters in 54 countries and 3 million tickets sold annually). As ever, technology is a two-edged factor: There is concern, for example, that simulcasts of the arts are cannibalizing live arts attendance rather than bridging non-attendees to live attendees. Technology has even altered the business model for the artists. Musicians can now deal directly with consumers via websites—selling songs to fans and even allowing them vote on touring venues—thus bypassing traditional record labels and ticket services. However, digitization of movie projection systems and the wide adoption of digital photography threaten the use of film as an artistic medium.
- **Arts and music preparation by college-bound seniors is slipping, following years of growth:** Decreases in K-12 arts education can now be seen by college admissions offices. 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 precipitously to 17.6 percent, suggesting that pervasive arts education cuts in the 2000s are now having the downstream effect that was long a concern. Ironically, the College Board reports that students still able to take four years of arts or music average about 100 points better on the verbal and math portions of the SAT.

- **More college arts degrees are conferred annually:** Even with downward trends in the number of 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 133,000 between 1997 and 2011. 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.
- **Consumer arts spending flat at $153 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 1.88 percent in 2002 to 1.43 percent in 2011. As noted in the key findings, one of the economic factors most strongly correlated with the health of the arts is total employment in the economy. As economic revitalization in coming years builds employment, consumer buying power, and the charitable instinct, the arts are poised to compete better.
- **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 2005 and 2011, audiences were treated to more than 9,000 new works—over 100 new operas, 342 orchestral works, 2,531 plays, and more than 5,000 movies. Even in a down economy, America's arts industries continued to produce new and exciting work for their audiences.

Continuing Trends and Challenges

- **U.S. cultural destinations help grow the U.S. economy by attracting foreign visitor spending**. Cultural tourism by foreign visitors is, effectively, a form of export by domestic arts and culture industries. 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, plays, and musicals" increased from 13 to 17 percent since 2003.
- **The U.S. keeps strengthening its international trade surplus.** U.S. exports of arts goods (e.g., movies, paintings, jewelry) increased from $64 to $72 billion between 2010 and 2011, up 11 percent. With U.S. imports at just $25 billion, the arts achieved a $47 billion trade surplus in 2011.
- **Arts and culture is losing its market share of philanthropy.** The share of all philanthropy going to the arts dropped from 4.9 percent to 4.4 percent between 2001 and 2011, while education, health, and environmental organizations saw growth in their share of the charitable giving pie. If the arts sector merely maintained its 4.9 percent share from 2001, it would have received $14.3 billion in contributions in 2011, instead of $13.1 billion—a $1.2 billion difference. It is noteworthy that this trend began well before the current economic downturn. As noted in the key findings, overall philanthropy correlates strongly with the health of the arts. Philanthropy has grown stronger since 2011, a hopeful sign that the arts are poised to compete better.
- **Arts employment remained strong:** A variety of labor market indicators show relatively steady levels of employment, especially when compared to labor market difficulties facing all sectors of the economy.

- ✓ There was an increase of eight percent in the number of working artists from 1996 to 2011 (1.99 to 2.15 million). Artists have remained 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 total numbers growing 10 out of the 11 years between 2000 and 2011 (509,000 to 730,000).
- ✓ Arts workers have diverse occupations and skills, ranging from designers and crafts artists to performance professionals and artistic technicians. Across the range of arts occupations, earnings kept pace with inflation, increasing in current dollars to about $52,000.

- **Government arts funding struggled in 2011**. Funding of the National Endowment for the Arts decreased to $155 million in 2011, the first cut in a decade. Funding of the whole suite of federal arts-related agencies stayed very close to historic highs of previous years at about $1.8 billion. As a share of the federal domestic discretionary (non-military) budget, however, total arts funding dropped from 0.40 percent to 0.28 percent, between 2002 and 2011. Not included in these totals are arts programs embedded in the budgets of other federal departments and agencies such as Health and Human Services, GSA, Transportation, and Defense (which boasts vigorous music programs throughout the armed services). State and local arts funding dropped to historic lows in 2011 in dollars, in share of total expenditures, and per capita.
- **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 million people in 2011, up 11 percent from 1.8 million in 2010. This amounts to 21 volunteers for every nonprofit arts organization in the country! But, this is only part of the story. In another federal study of volunteerism, 6.2 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.

Changes in National Arts Index Indicators in 2013

This report features two new indicators, and the "retirement" of seven others. The two new data sources added to this year's report help to paint a clearer picture of how the arts are supported by individuals and households.

1. Arts work in volunteering (Indicator # 37)
2. Share of households contributing to arts and culture organizations (Indicator # 54)

Seven data series that were in past National Arts Index reports are not available for 2011 and beyond. In keeping with our Index inclusion criteria, the seven have been "retired." Their prior year values are still available; see Appendix F for details.

1. Corporate dollars (Conference Board) In its place, a joint report by the Conference Board and Committee Encouraging Corporate Philanthropy was added last year
2. Citations of arts and culture in bibliographic databases
3. Museum visits
4. Personal arts creativity experiences
5. Arts and culture share of corporate funding (Conference Board)
6. Population share engaged in personal creativity activities
7. Arts, culture, and humanities in the Philanthropic Giving Index

Looking Ahead

While bruised and a little battered by the Great Recession, the arts industries showed resilience having survived, evolved, and maintained societal relevance during the worst economic downturn in generations. The National Arts Index tracks a continuing change in how audiences seek to consume the arts, with growing reliance on technology and major institutions struggling to maintain attendance numbers. The Index highlights changes in demand and supply, how audiences are engaging with (and spending money on) the arts and the constant tension between what artists and arts organizations produce and what the public wants to consume.

The arts in the U.S. are active venues of creativity and innovation in their artistic products. To ensure continued relevancy, arts organizations need to evolve as their communities evolve, which is key to growing audiences and reversing the downward trend in households contributing to nonprofit arts organizations.

The balance of this report shows why these issues emerged since 2000. Chapter 2 provides additional 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 78 individual indicators. In Chapter 7, we present some future considerations for artists, audiences, arts organizations, and communities based on all of the data. Chapter 8 presents the National Arts Index methodology.

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 some new stories about the systemic character of the arts, and the ways that the elements of the arts ecology interact with each other. We introduce the ways in which we saw the benefits of 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 2011 Index is composed of 78 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 2000 to 2011 (we also maintain 1996-1999 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 2011.
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 8.

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 that groups indicators based on where they 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 to 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.

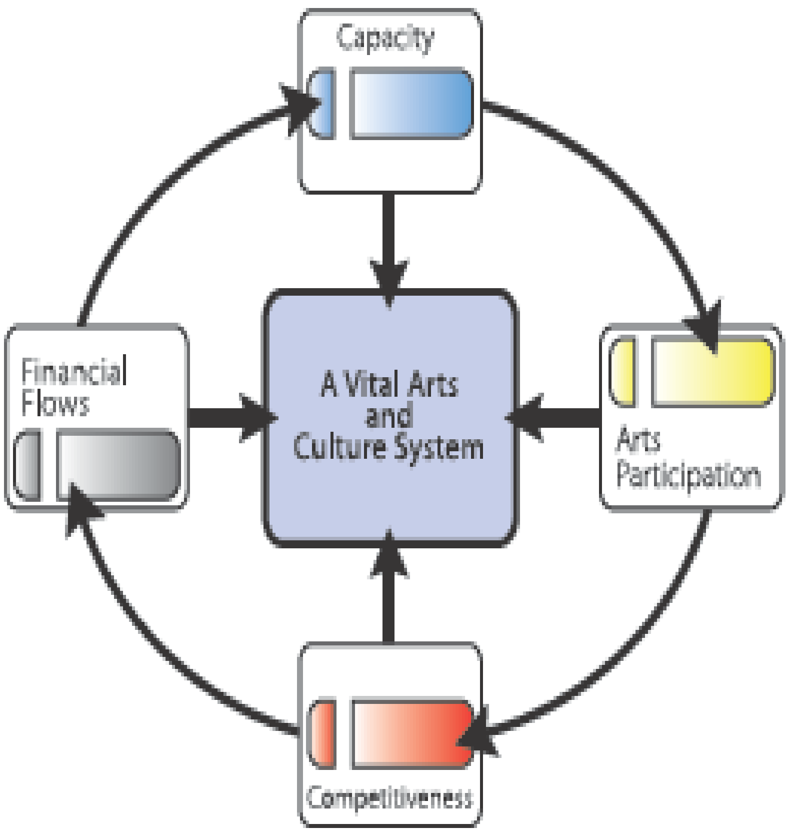


FIGURE B. THE "ARTS AND CULTURE BALANCED SCORECARD"

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 explanation of their development.

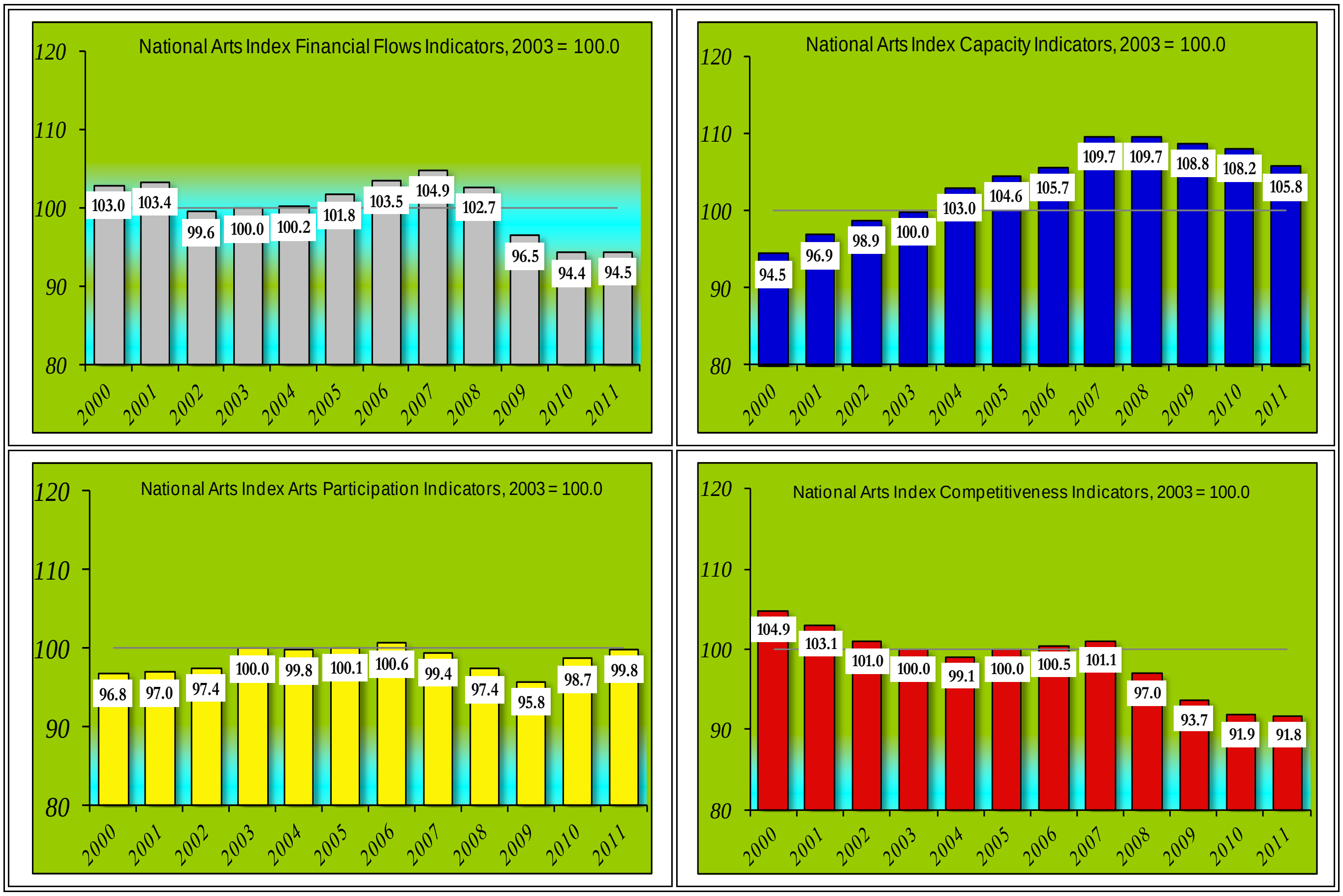


FIGURE C. THE ARTS AND CULTURE BALANCED SCORECARD DASHBOARD (2003 = 100)

1. Financial flows into the arts (gray, top left quadrant) fell sharply after 2001. They recovered somewhat after 2003 through 2007, regaining the levels of the late 1990s before declining sharply again until 2010, then stabilizing in 2011.
2. In the 2000s, more and more capacity was 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, and 2011 saw a pronounced decline.
3. The level of arts participation (yellow, bottom left quadrant)—especially attendance—dropped in the early 2000s, grew gradually from 2002 through 2008, fell again in 2009, and then improved in 2010 and 2011 on a range of indicators to a new “plateau” not far from its high.
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 three straight years before stabilizing in 2011. 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 78 indicators were assigned to ACBS dimensions as follows:

Table 1. Indicators in the ACBS

Dimensions	Financial Flows	Capacity	Arts Participation	Competitiveness	Total
Indicators	17	14	21	26	78

Chapters 3 through 6 present summaries of each of the four dimensions in turn, along with detailed data that comprise the 78 individual indicators from 2000 to 2011. All indicators associated with each dimension are presented together and reported with the following:

- A list of specific indicators that comprise that dimension for 2011.
- A column chart showing the average of those indicators for years from 2000 through 2011 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 each 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 2000 to 2011.

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 2000 to 2011, 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 2000 to 2011. 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 a specific codes (as for industries and occupations), the codes are in the appendices.

This marks the first year in which we removed 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. However, those indicators still have useful information about past years. Historical values for all seven are in Appendix F, and include the descriptions, figures, and tables from the last Arts Index report.

Chapter 3. Financial Flows Indicators

Financial Flows is the first of the ACBS dimensions. For 2011, it is made up of 17 Financial Flows indicators, all expressed in inflation-adjusted or “constant” 2008 dollars. These indicators measure how revenues come into 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.

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 (2008 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
11.	Revenue of arts and culture nonprofits
12.	Foundation arts and culture funding
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

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
11	12	15	17	17	17	17	17	17	17	17	17

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

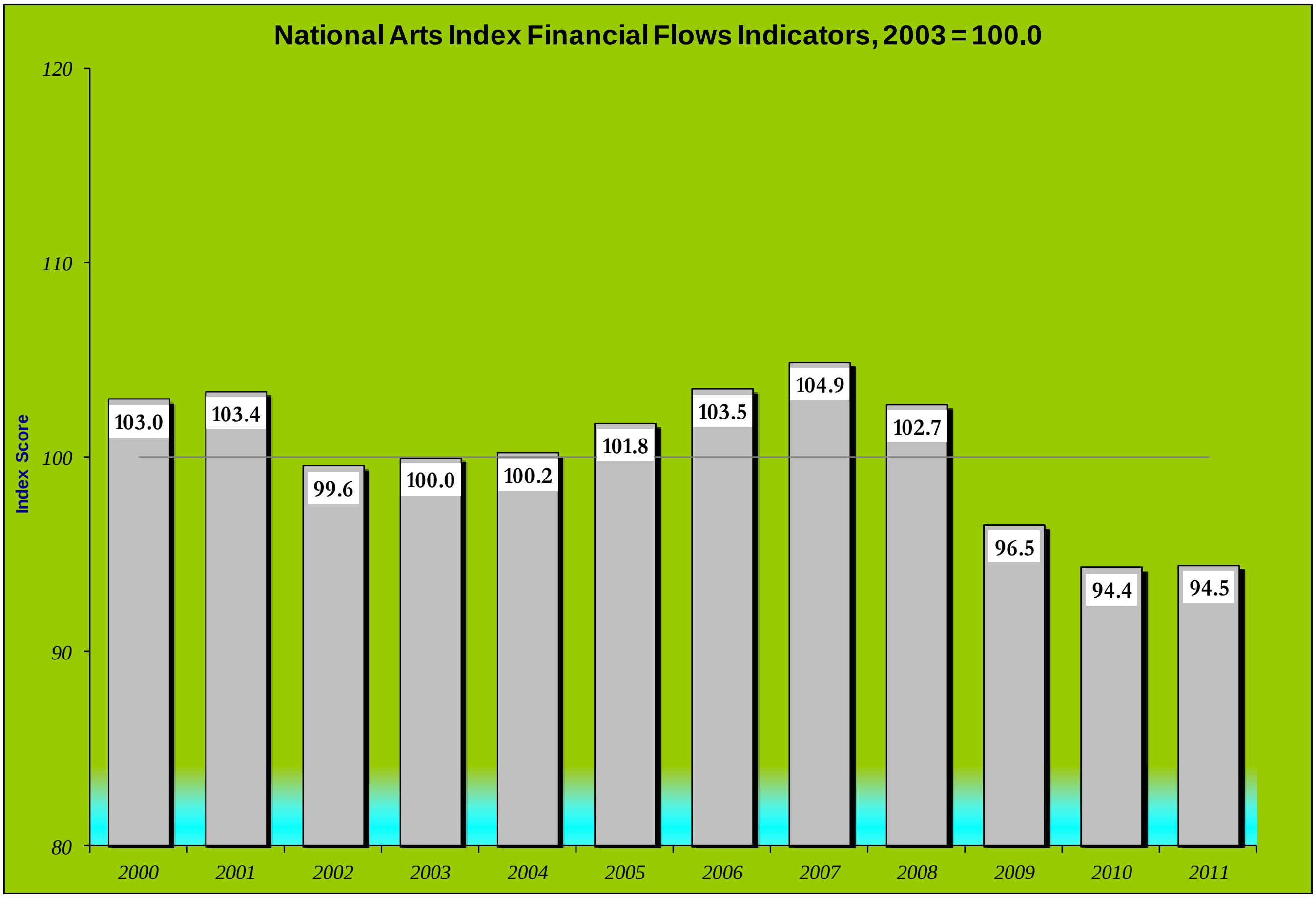


FIGURE D. NATIONAL ARTS INDEX FINANCIAL FLOWS INDICATORS (2003 = 100.0)

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 2008. 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 2.5 percent from 2000 through 2011, which compounded to a total change of about 31 percent. In 2011, this meant that more than 30 percent of the increase in dollars generated over the 11-year span by arts entities was not because of more volume, (i.e., more art, more performances, more books). Rather, it was the effect of general price level changes on overall revenues. Inflation had a 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.

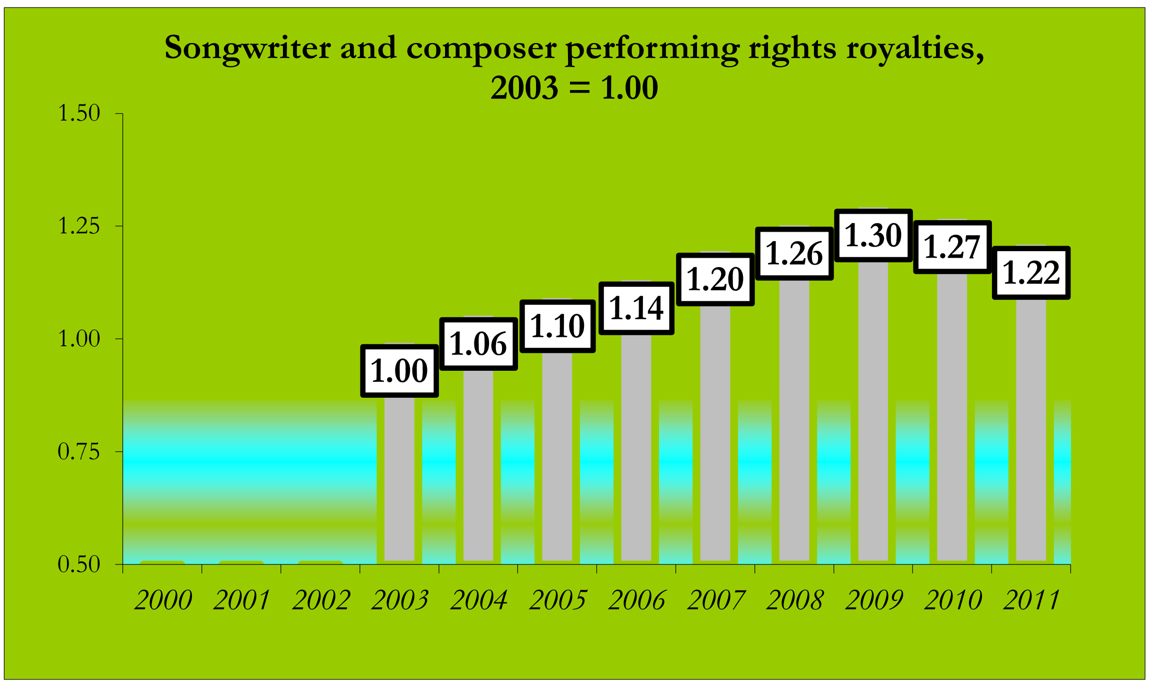
Cumulatively, the 17 Financial Flows indicators show that the sharp decline in the Financial Flows dimension in 2010 stabilized in 2011 , increasing fractionally to a score of 94.5—part of a slow, but consistent, recovery from the Great Recession.

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 possibly turned around. This chart reveals that the decline was systemic, with an overall drop from the high point in 2001 to 2003. From 2003 to 2007, 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 2011 was the year when more of the arts were able to successfully meet 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 Society of European Stage Authors & Composers (SESAC). Of these three, the first two are nonprofit and annually report total receipts and disbursements to copyright owners (either the original composers or publishers). SESAC, which is by far the smallest of the three, does not make this information available.

This indicator measures the total amount of songwriter/composer royalties paid by ASCAP and BMI, adjusted to constant 2008 dollars. This royalty stream experienced its first decreases in 2010 and 2011, after eight years of growth, dropping to $1.55 billion. This followed annual growth between 2003 and 2009—from $1.27 billion to $1.66 billion--a 30 percent increase over a six-year span, even after adjusting for inflation. However, this is not a complete picture of the royalties available from copyrighted music: there are also streams of revenues for other uses as well as emerging approaches to securing and licensing performing rights for the transmission of music over the internet.

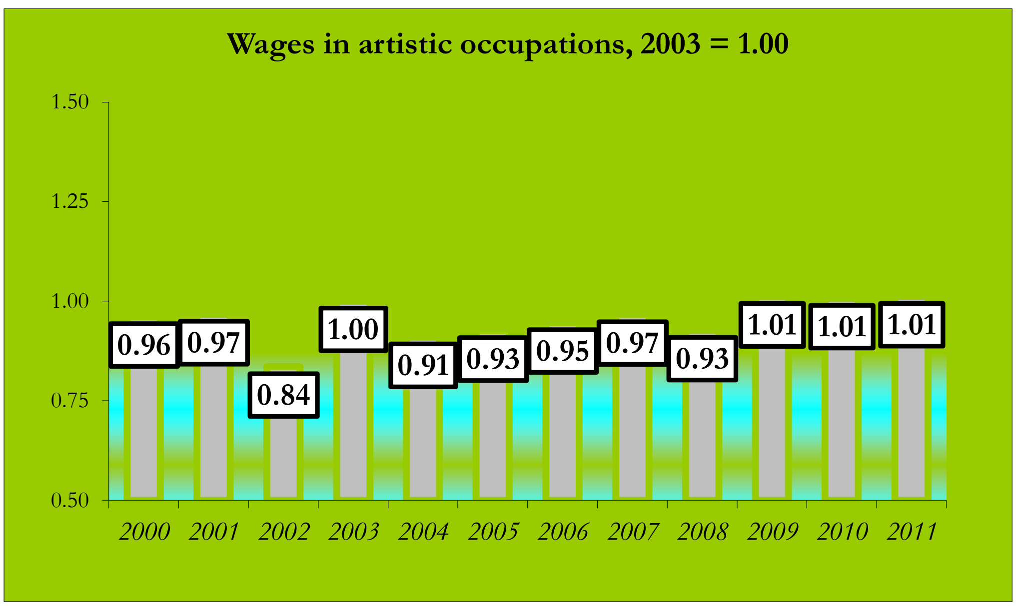


($ in millions)	2000-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Royalties paid by ASCAP		531	610	645	680.3	741.6	817	860	846	822
Royalties paid by BMI		556	573	623	676	732	786	788	796	796
Total Royalties Paid		1,087	1,183	1,268	1,356	1,474	1,603	1,648	1,642	1,618
CPI at 2008 = 100.0		85.5	87.7	90.7	93.6	96.3	100.0	99.6	99.6	104.5
Constant dollar songwriter and composer royalties paid for performing rights ($M)		1,272	1,348	1,398	1,448	1,530	1,603	1,654	1,621	1,549
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

2. Wages in Artistic Occupations

Employment can be classified in more than way—for example, some indicators in this report are based on the North American Industrial Classification System industry classification, which associates workers with the kind of place where they work. A different perspective on the arts labor market looks at the kind of work, or occupation. Defining work by occupation helps to give a more complete picture of how people work in the arts. The Bureau of Labor Statistics (BLS) monitors the workforce 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 (listed in Appendix B). An example is "Floral Designer"—a type of worker who would not be included in a count based on industry, because florists might not generally be considered arts and culture businesses. Data from BLS also indicate average annual wages earned by workers in each occupation.

This indicator measures the average annual salary of all 46 occupations, adjusted to constant 2008 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 the percentage of full-time workers was available. Taking into account that consumer prices rose about 31 percent from 2000 to 2011, real wages, adjusted for inflation, rose only five percent over that same span.

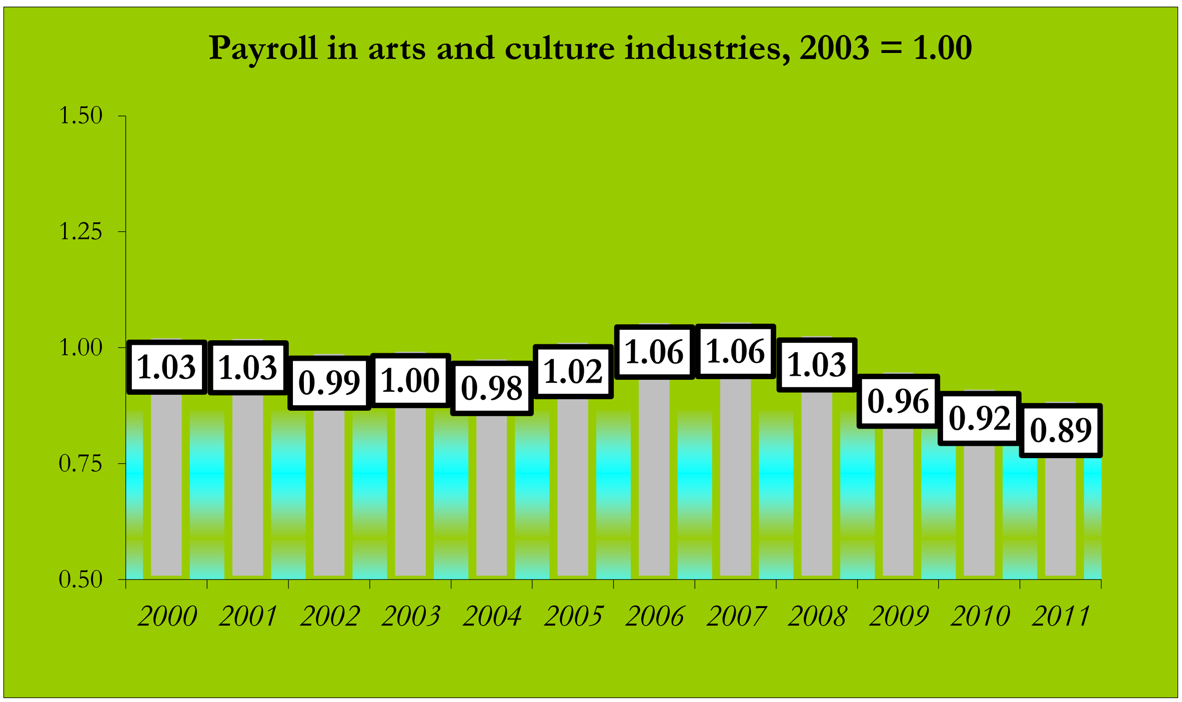


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Average salary in 45 artistic occupations ($)	38,009	39,333	41,320	42,261	39,479	41,525	43,801	46,006	45,825	49,843	50,438	52,288
CPI at 2008 = 100.0	80.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5
Constant dollar average annual salary in 45 artistic occupations ($)	47,522	47,817	41,320	49,450	44,997	45,777	46,778	47,772	45,825	50,021	49,800	50,047
Indexed to 2003 = 1.00	0.96	0.97	0.84	1.00	0.91	0.93	0.95	0.97	0.93	1.01	1.01	1.01

3. Payroll in Arts and Culture Industries

Payroll expenditures by employers, like the number of establishments and employees, are a basic measure of the economic scale of arts and culture. 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, as compared to 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. These data are gathered by the Census Bureau and published annually in *County Business Patterns*. Total payroll grew from about $76 billion in 2000 to $95 billion in 2007 in current dollars. When inflation is factored in, the rise was more moderate: from $89 billion to $95 billion in constant dollars. The recession plainly affected arts payroll, which shrank to $86 billion by 2010 and stayed there in 2011. Up until 2007, payroll grew somewhat faster than the numbers of employees and establishments, but it declined just as rapidly in the following year.

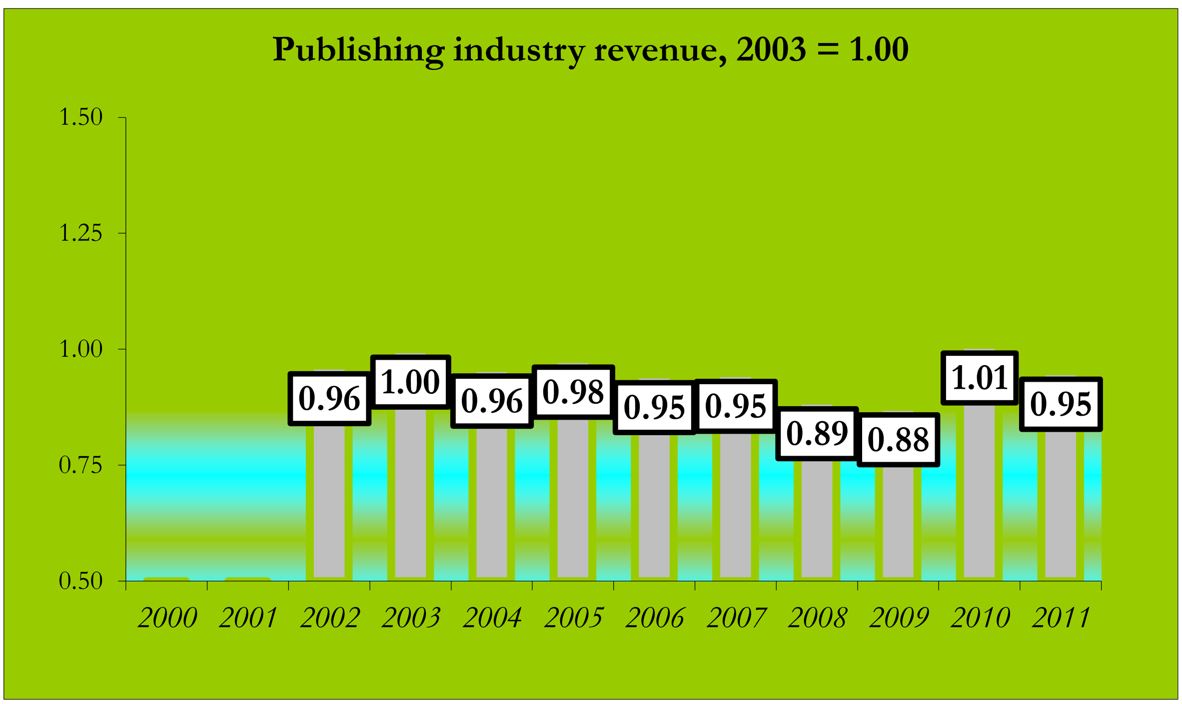


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Payroll in selected NAICS codes related to arts & culture ($M)	75,815	77,866	76,583	$78,722	79,481	85,167	91,573	94,302	95,239	87,706	85,683	85,887
CPI at 2008 = 100.0	80.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5
Constant dollar payroll in selected arts & culture NAICS codes	88,560	94,791	94,662	91,652	92,113	90,589	93,889	97,797	95,239	88,018	84,600	82,207
Indexed to 2003 = 1.00	1.03	1.03	0.99	1.00	0.98	1.02	1.06	1.06	1.03	0.96	0.92	0.89

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 260 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 find their way to readers in new ways and over new media. For example, AAP estimates that e-book sales increased at an annual rate of 55.7 percent between 2002 and 2007, compared to single-digit annual growth rates in all other book product categories (and declines in some other product categories). 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.

This indicator tracks "Estimated Book Publishing Industry Net Sales," adjusted to constant 2008 dollars. Current dollar net sales grew from 2002 to 2011, reaching $27.2 billion. However, the effects of inflation over that time span counteracted that growth. When converted to constant dollars, there was a slight decline in industry revenue from 2005 through 2009. Following a spike in 2010, revenues dropped in 2011, and returned to pre-recession levels.

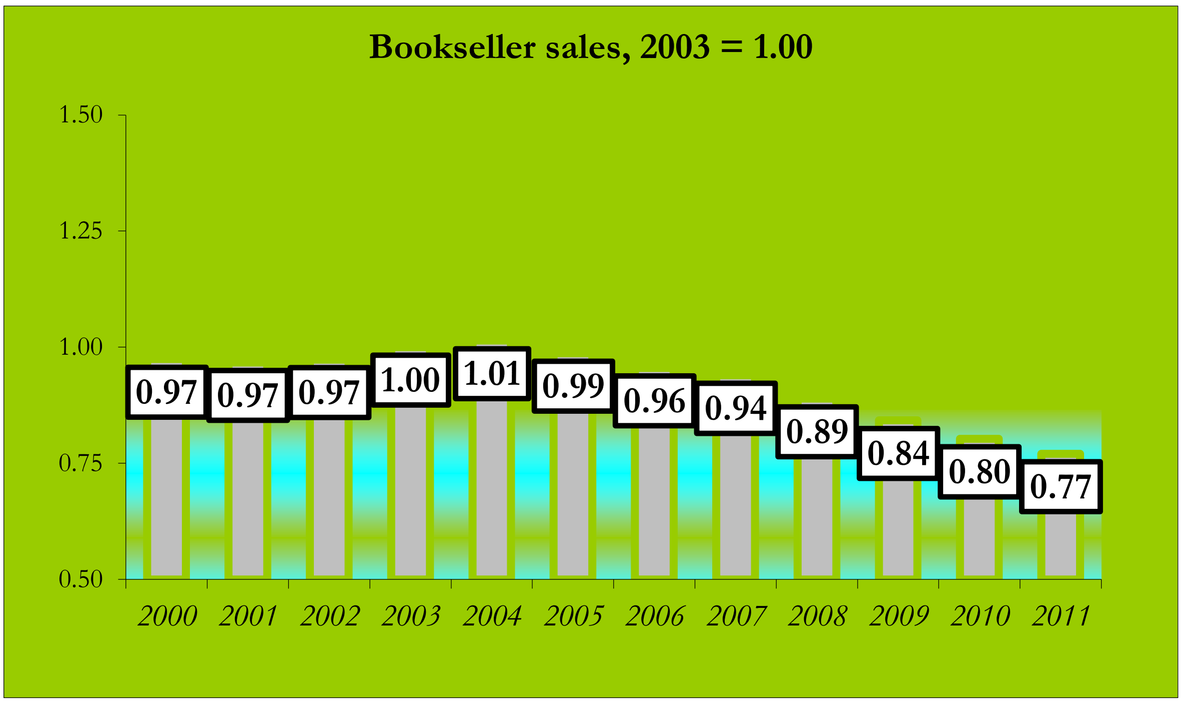


	2000-2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
AAP revenues ($M)		22,033	23,358	23,006	24,263	24,197	24,960	24,303	23,856	27,940	27,200
CPI at 2008 = 100.0		83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5
Constant dollar AAP revenues ($M)		26,368	27,331	26,221	26,748	25,841	25,918	24,303	23,941	27,587	26,034
Indexed to 2003 = 1.00	N/D	0.96	1.00	0.96	0.98	0.95	0.95	0.89	0.88	1.01	0.95

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 2011. Note: historic data for this indicator has been revised by the Census Bureau.

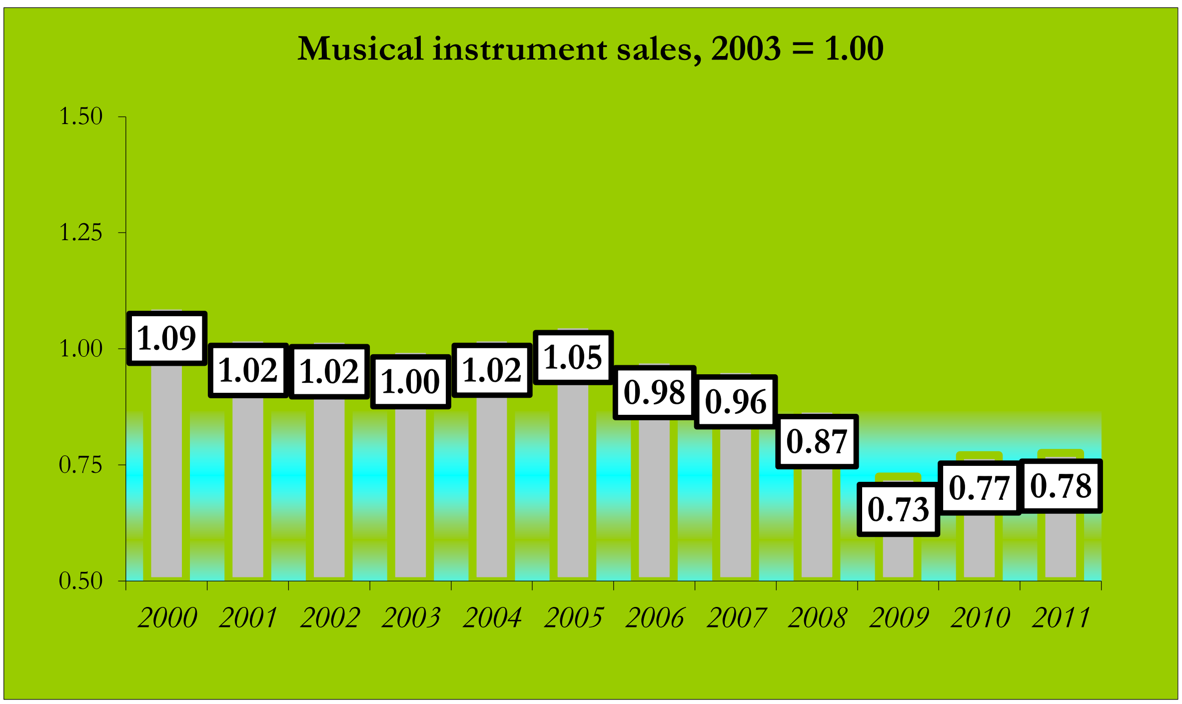


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Bookstore (NAICS 451211) sales ($M)	15,110	15,450	16,179	16,757	16,989	16,983	17,184	16,870	16,051	15,662	15,283
CPI at 2008 = 100.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5
Constant dollar bookstore revenue($M)	18,369	18,490	18,931	19,099	18,729	18,137	17,844	16,870	16,108	15,464	14,628
Indexed to 2003 = 1.00	0.97	0.97	1.00	1.01	0.99	0.96	0.94	0.89	0.84	0.80	0.77

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, measures annual U.S. 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 2008 constant dollars. Sales reported in this indicator are at the wholesale level, which means that retail-level instrument sales are certainly higher than what is reported here, depending on markups in each store and for each kind of instrument. While instrument sales in current dollars were consistently over $7 billion until 2008, they did not keep pace with inflation, and constant dollar sales trended generally downwards since 2000. 2009 continued a difficult downward period for instrument sales, with a decline of 17 percent following a drop of 10 percent in 2008. In 2010 and 2011, however, the market moved up to (current dollar) sales of $6.6 billion.

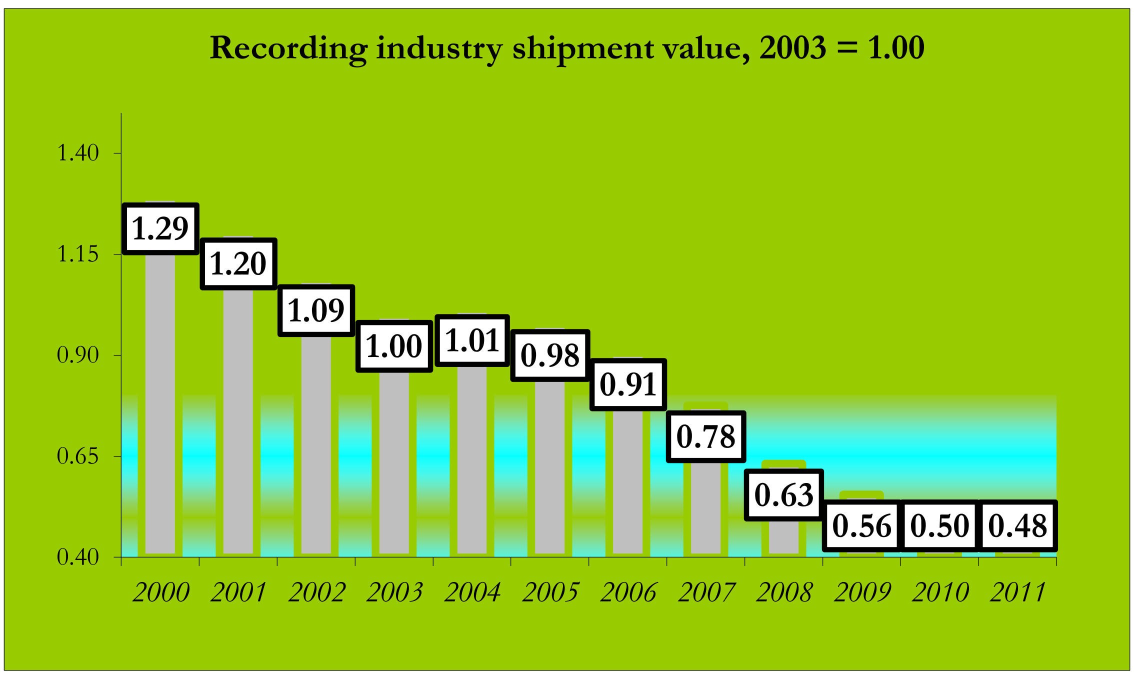


($ in millions)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
NAMM sales	7,154	6,894	6,984	6,990	7,354	7,810	7,483	7,538	7,128	5,911	6,390	6,630
CPI at 2008 = 100.0	80.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5
Deflated NAMM sales	8,945	8,381	8,358	8,179	8,382	8,610	7,992	7,827	7,128	5,932	6,309	6,346
Indexed to 2003 = 1.00	1.09	1.02	1.02	1.00	1.02	1.05	0.98	0.96	0.87	0.73	0.77	0.78

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 provide 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 30-second cell phone ringtones. Because these different units are counted in many ways, and because of how digital uses of music continually evolve, there are very wide swings in product counts. RIAA data show that albums downloaded digitally increased from 4.6 million to 117 million between 2004 (the earliest year for which data are available) and 2011. Single downloads grew from 139 million units to 1.33 billion. On-line streaming and other access methods make up an increasing share of record companies' revenue.

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 sales of digital music, total industry revenues declined in most of the past years in current dollars, and sharply in inflation-adjusted dollars. In current dollars, revenues in 2010 and 2011 stabilized near $7.0 billion.

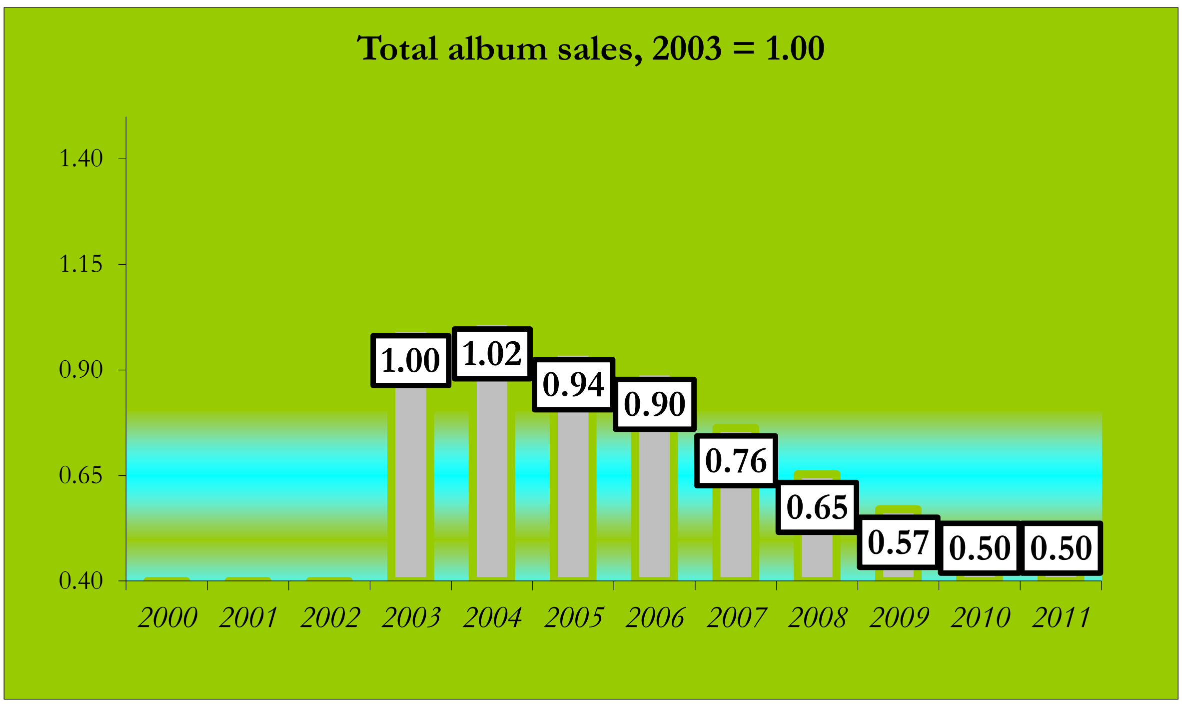


($ in millions)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total value of digital and physical shipments	14,324	13,741	12,614	11,854	12,345	12,297	11,758	10,372	8,768	7,684	6,995	7,008
CPI at 2008 = 100.0	80.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5
Constant dollar value of recording industry shipments	17,909	16,705	15,096	13,871	14,070	13,556	12,557	10,770	8,768	7,717	6,764	6,707
Indexed to 2003 = 1.00	1.29	1.20	1.09	1.00	1.01	0.98	0.91	0.78	0.63	0.56	0.50	0.48

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. 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.

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—but but there is no firm ratio between track sales (which grew by 225 percent from 2003 to 2009) and album sales, which declined 43 percent. SoundScan data are not available to measure the dollar volume of sales. The album form shows a long-term decline, with volumes in 2010 and 2011 less than half of the level seen in 2004.

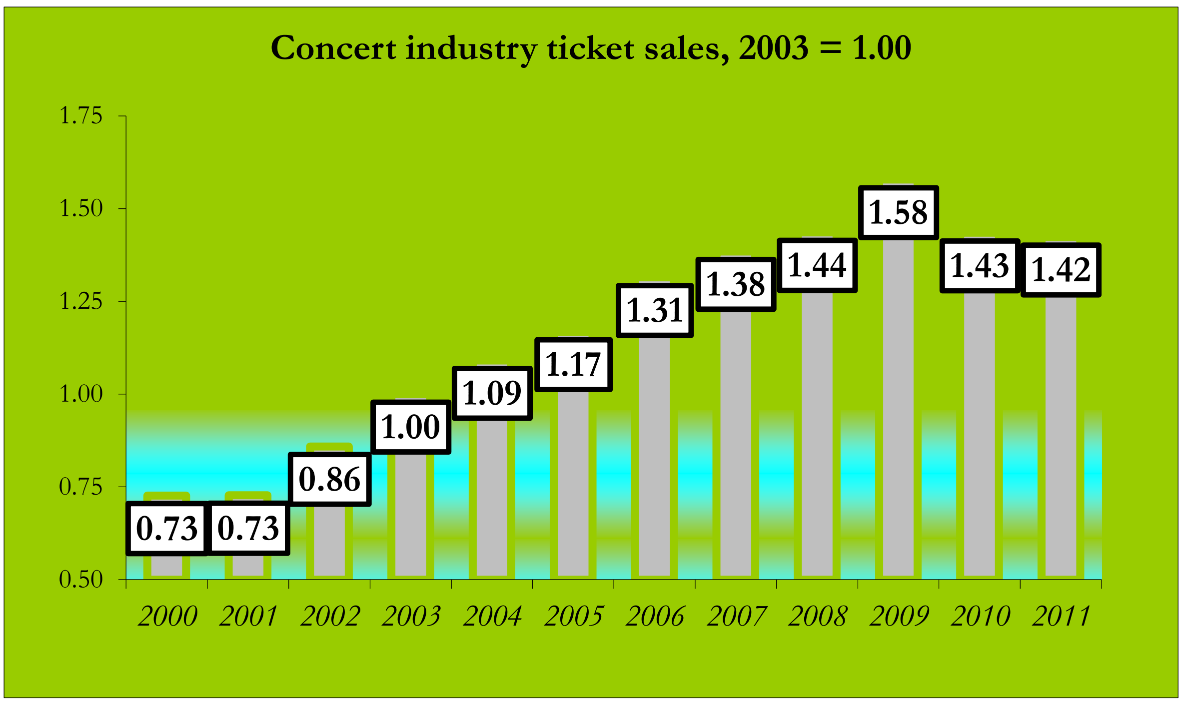


	2000-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Album Sales (millions)		656.2	666.7	618.9	588.2	500.5	428.4	373.9	326.2	330.6
Indexed to 2003 = 1.00	N/D	1.00	1.02	0.94	0.90	0.76	0.65	0.57	0.50	0.50

9. Concert Industry Ticket Sales

The popular music concert industry has had significant growth since the late 1990s. 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 2011 Year End Business Analysis, the top tours in the U.S. grossed $2.34 billion at average prices of $67 per ticket.

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, but 2010 and 2011 showed that concert industry revenues suffered what other arts sectors had experienced. The Top 100 generated 54 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.

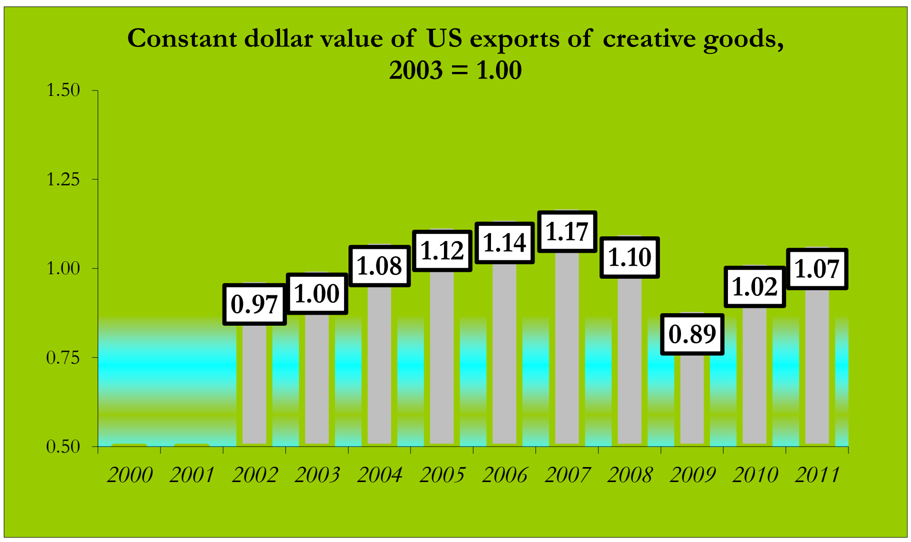


($ in millions)	**2000**	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Ticket sales to popular music concerts	1,700	1,750	2,100	2,500	2,800	3,100	3,600	3,900	4,200	4,600	4,250	4,350
CPI at 2008 = 100.0	80.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5
Constant dollar ticket sales to popular music concerts	2,125	2,127	2,513	2,925	3,191	3,417	3,845	4,050	4,200	4,616	4,196	4,164
Indexed to 2003 = 1.00	0.73	0.73	0.86	1.00	1.09	1.17	1.31	1.38	1.44	1.58	1.43	1.42

10. Exports of Creative Goods

The American economy is one 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.

This indicator measures the values of U.S. creative goods exports 2002-2011. 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 a peak of $73 billion in 2007, declined to early-decade levels in 2009, and resumed a growth path in 2010. In current dollars, 2011 exports of American creative goods amounted to $72 billion. With U.S. imports at just $25 billion, the arts achieved a $47 billion trade surplus in 2011.

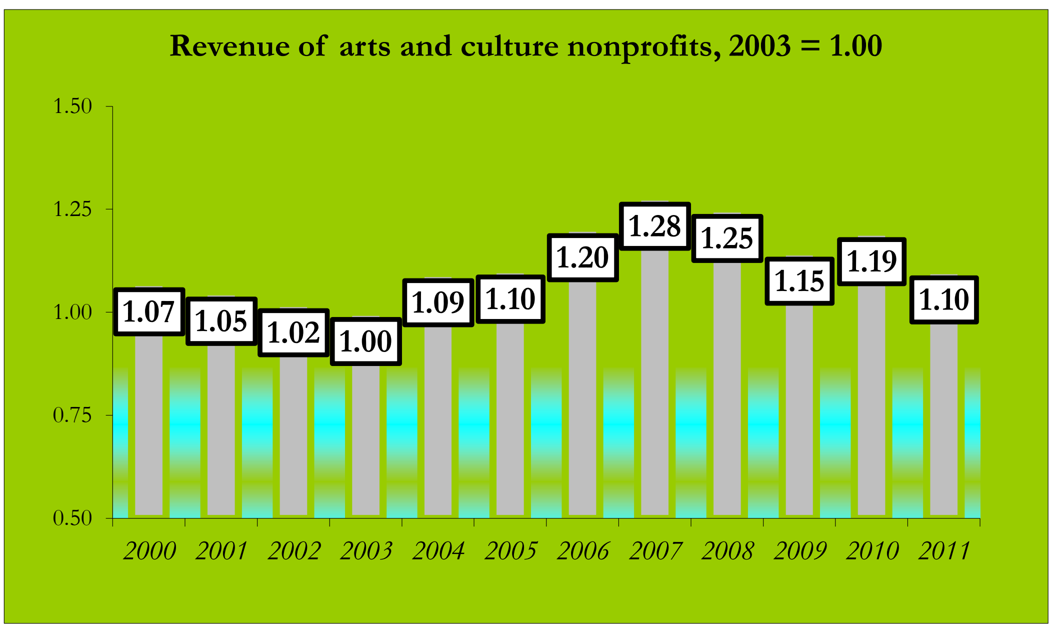


Exports, $ millions	2000-2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Art crafts		4,072	4,583	4,741	4,943	4,919	4,953	4,690	3,739	4,508	5,190
Audio visuals		201	274	290	338	347	362	364	348	323	247
Design		32,183	34,959	39,020	42,345	44,706	46,719	45,259	37,952	44,989	48,603
New media		2,974	2,175	2,776	3,118	3,528	5,492	7,018	5,237	5,435	5,260
Performing arts		369	359	355	346	332	-	-	-	-	-
Publishing		6,201	6,389	6,744	6,917	7,094	6,646	6,411	4,627	4,741	4,824
Visual arts		6,188	6,264	6,947	7,420	7,946	8,617	7,194	4,942	6,459	7,817
Total U.S. creative goods exports		52,188	55,004	60,874	65,427	68,873	72,789	70,936	56,845	66,454	71,940
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
Constant dollar U.S. creative goods exports		62,457	64,361	69,381	72,127	73,553	75,583	70,936	57,048	65,614	68,857
Indexed to 2003 = 1.0	N/D	0.97	1.00	1.08	1.12	1.14	1.17	1.10	0.89	1.02	1.07

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 N 52 (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, and 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; some perhaps expired due to recessionary pressures. A related issue is that thousands of arts organizations that had ceased filing information returns were removed from IRS rolls. In 2011, 43 percent of this reduced set of nonprofits provided information, more than the 35 percent of past years.

This indicator measures the total revenues of these nonprofits that do file Form 990, converted to constant 2008 dollars. The departure of some thousands of arts organizations from the rolls after years of entry naturally leads to less revenue from the sector. Both current dollar and constant dollar revenues grew steadily through 2007, followed by steep (though not steady) declines through 2011, when constant dollar revenue was about the same as in 2005. This is an effect of so much entry into the field: newer arts organizations—of which there are many—typically have less revenue than older ones. And inflation, even though it is low from year to year, still takes an even stronger bite of a declining revenue stream; prices were 8.5 percent higher in 2011 than in 2007.

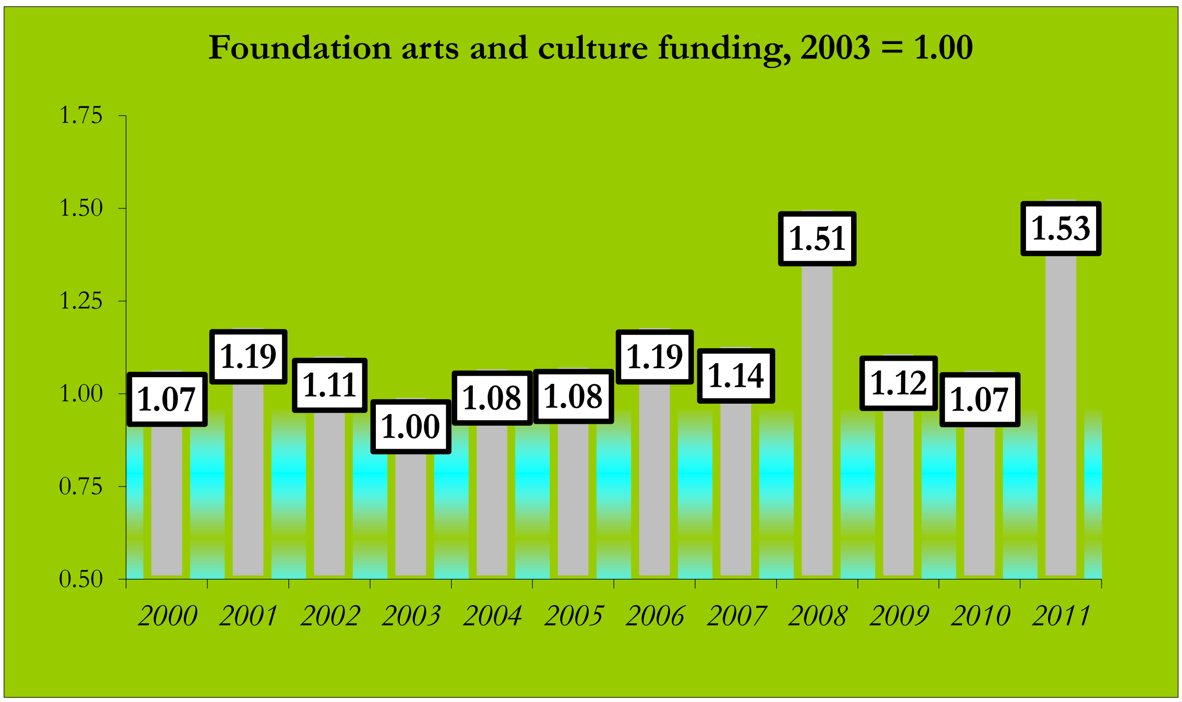


($ in millions)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total revenues of arts nonprofits	23,984	24,139	23,868	23,897	26,848	27,977	31,519	34,461	34,967	31,947	33,815	32,171
CPI at 2008 = 100.0	80.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5
Constant dollar arts nonprofit revenue	29,987	29,345	28,564	27,963	30,600	30,842	33,661	35,783	34,967	32,060	33,388	30,793
Indexed to 2003 = 1.00	1.07	1.05	1.02	1.00	1.09	1.10	1.20	1.28	1.25	1.15	1.19	1.10

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 148,000 in 2011. Along with the number of grants, foundation dollar amounts increased from 2000 through 2011 by almost 87 percent to $3.4 billion, when measured in current dollars, but by only about 43 percent when adjusted for inflation. The chart shows big upward spikes in 2008 and 2011, probable effects of "mega-gifts" and the overall recovery of the stock market.

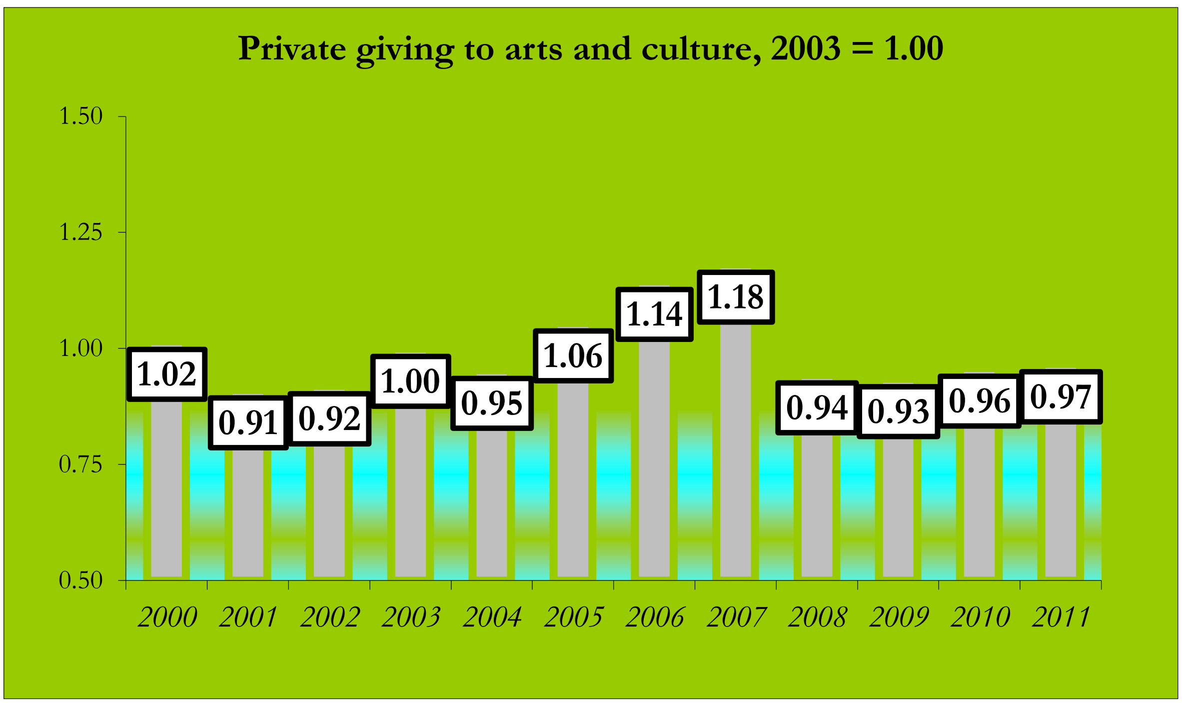


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total foundation grant dollars ($M)	1,799	2,048	1,946	1,790	1,980	2,055	2,330	2,294	3,156	2,332	2,276	3,358
CPI at 2008 = 100.0	80.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5
Constant dollar foundation support of the arts($M)	2,249	2,490	2,329	2,095	2,256	2,265	2,488	2,382	3,156	2,340	2,248	3,214
Indexed to 2003 = 1.00	1.07	1.19	1.11	1.00	1.08	1.08	1.19	1.14	1.51	1.12	1.07	1.53

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 or 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 was $13.3 billion in 2011 compared to giving of $101 billion to religion, $42 billion to education, $33 billion to foundations, $26 billion to human services, $24 billion to public-society benefit, and $23 billion to health.

This indicator measures total private giving to arts and culture organizations as estimated by *Giving USA* in 2008 dollars. Total private giving increased in current dollars most years from 2000 to 2007, but the effects of inflation have reduced the benefits of that increase. Both current and constant dollar giving increased through 2007, but has stabilized since then in a lower range.

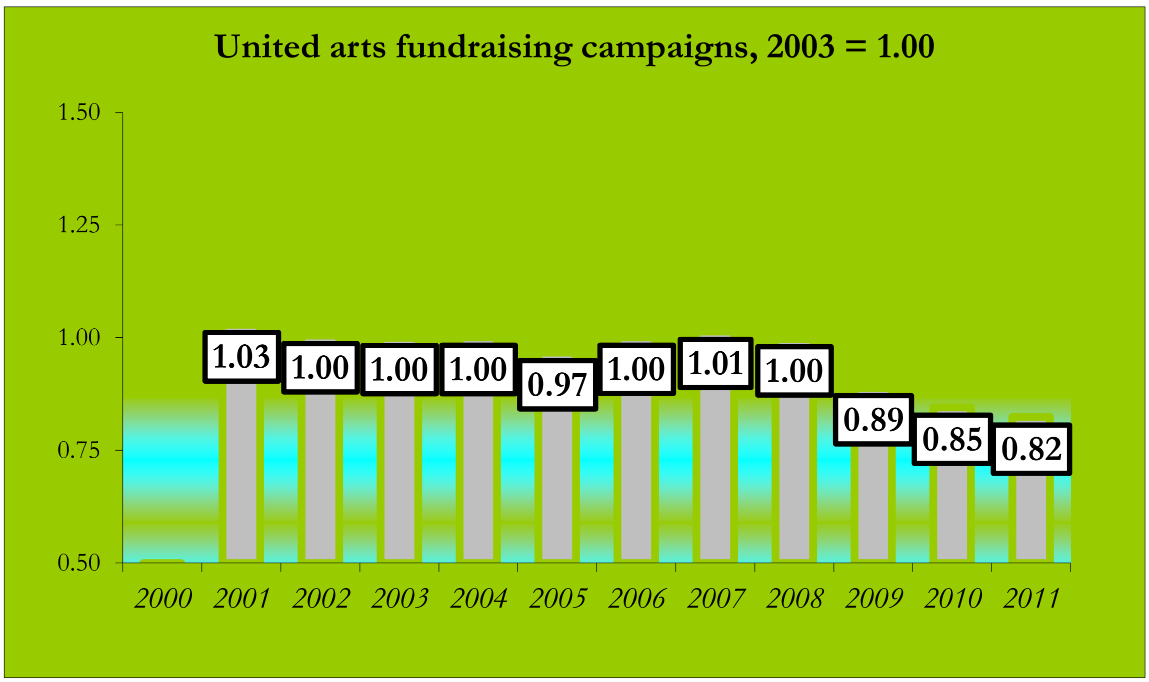


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Private arts philanthropy ($B)	10.48	11.41	10.83	10.83	11.78	11.38	12.51	13.67	12.79	12.34	12.6	13.12
CPI at 2008 = 100.0	80.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5
Constant dollar private arts philanthropy ($B)	13.19	11.83	11.94	12.99	12.38	13.70	14.87	15.35	12.25	12.14	12.44	12.56
Indexed to 2003 = 1.00	1.02	0.91	0.92	1.00	0.95	1.06	1.14	1.18	0.94	0.93	0.96	0.97

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 2008 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 average revenues of these funds in constant 2008 dollars, using data from a panel of 33 funds that have reported every year since 2001. 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.

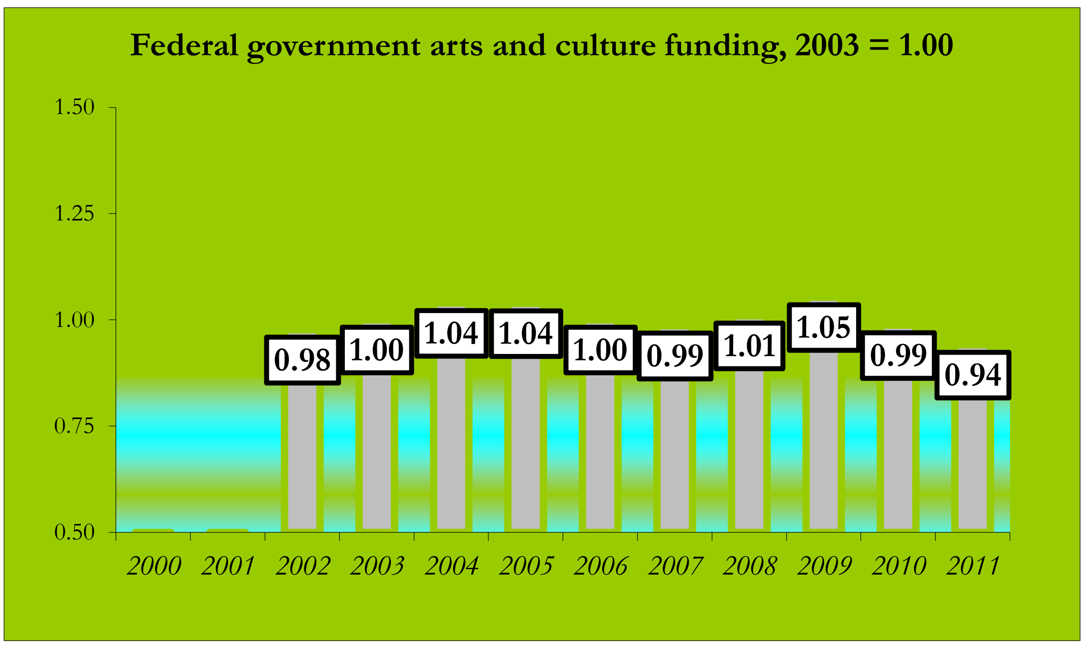


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Avg. raised by 33-UAF panel		2,464,766	2,444,710	2,489,030	2,556,981	2,554,226	2,729,734	2,844,194	2,904,682	2,579,356	2,494,029	2,507,242
CPI at 2008 = 100.0		82.3	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5
Constant dollar funds raised by 28 UAFs		2,996,409	2,925,770	2,912,436	2,914,336	2,815,795	2,915,237	2,953,357	2,904,682	2,588,529	2,462,507	2,399,803
Indexed to 2003 = 1.00	N/D	1.03	1.00	1.00	1.00	0.97	1.00	1.01	1.00	0.89	0.85	0.82

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, much attention is focused on the National Endowment for the Arts. It is, however, just one of several arts and culture programs that are completely, or mostly, financed with federal dollars. Others include the National Endowment for the Humanities, Institute for Museum and Library Services, and Corporation for Public Broadcasting. Some attractions in Washington, D.C. have wide impact both as national arts centers and visitor attractions, such as the Smithsonian Institution, Holocaust Museum, National Gallery, and the Kennedy Center.

This indicator measures funding of the listed programs below, adjusted to 2008 dollars. Spending was at its highest level of the years measured in 2009 at $1.96 billion in constant dollars, before dropping to $1.86 billion in 2010, and again in 2011 to $1.76 billion. These are the marquee programs. There are other arts programs (not counted in this indicator) found in the budgets of 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.

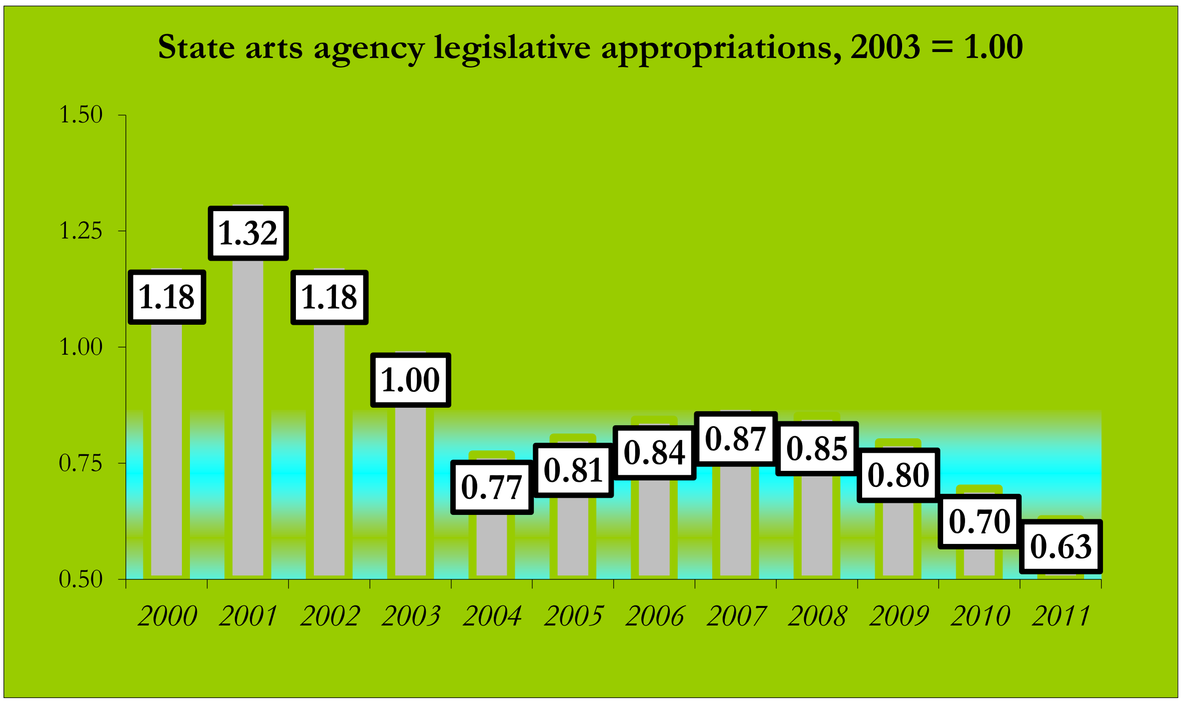


All figures in $000	2000-2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
NEA Total		115,234	115,732	120,972	121,264	124,406	124,562	144,706	155,000	167,500	154,690
NEH		124,504	124,936	135,310	138,054	140,949	141,105	144,707	144,355	155,000	154,690
IMLS		221,501	243,890	262,240	280,564	247,144	247,144	263,507	268,193	274,840	242,000
Smithsonian		518,860	544,875	596,279	615,158	615,097	634,895	682,629	716,400	593,400	634,889
Kennedy Center		38,310	33,690	32,159	33,021	30,347	30,389	42,674	33,300	40,420	22,455
National Gallery of Art		85,335	92,842	98,225	102,653	111,141	111,729	117,866	119,567	111,000	110,525
Commission of Fine Arts		1,224	1,216	1,405	1,768	1,865	1,873	2,059	2,234	2,234	2,289
Institute of American Indian		4,490	5,454	6,173	5,916	6,207	6,207	7,183	7,900	7,900	8,283
Holocaust Memorial		36,028	38,412	39,505	40,858	42,150	42,349	44,786	48,082	49,122	49,024
Arts in Education		30,000	33,779	35,071	35,633	35,277	35,277	37,533	37,000	38,120	24,596
Corp. for Public Broadcasting		350,000	362,800	377,800	386,800	396,000	400,000	400,000	430,000	430,000	435,138
Total Federal Arts Spending		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
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
Deflated federal arts spending		1,825,665	1,869,396	1,943,443	1,942,097	1,869,546	1,843,677	1,887,650	1,969,009	1,833,565	1,759,793
Indexed to 2003 = 1.00	N/D	0.98	1.00	1.04	1.04	1.00	0.99	1.01	1.05	0.99	0.94

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 (except Kansas; eliminated in 2011), 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 1990's—reaching a high of $451 million in 2001—which 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. When converted to constant 2008 dollars, state funding declined 52 percent from its peak in 2001 (39 percent in current dollars, not adjusted for inflation).

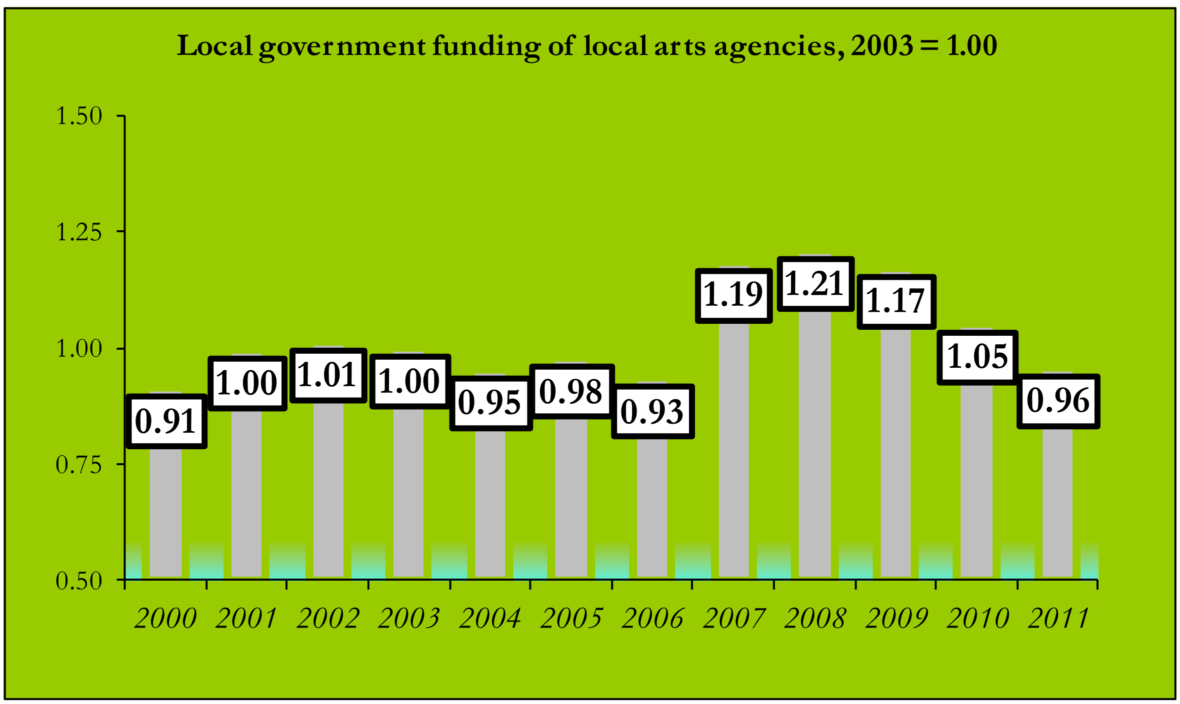


($ in millions)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
State arts agency legislative appropriations	392.3	450.6	409.7	355.7	282.0	304.2	328.9	350.1	354.7	329.8	293.2	274.0
CPI at 2008 = 100.0	80.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5
Constant dollar state funding of state arts agencies	490.5	547.8	490.3	416.2	320.3	335.4	351.2	363.6	354.7	331.0	289.5	262.2
Indexed to 2003 = 1.00	1.18	1.32	1.18	1.00	0.77	0.81	0.84	0.87	0.85	0.80	0.70	0.63

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 the total level of 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 $0 to over $150 million in 2011. 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, having stayed close to $150 million in recent years. Over the last decade, local governments provided steadier levels of funding directly to local arts agencies than have state governments to their corresponding state arts agencies. Still, local government support of local arts agencies in these larger centers in 2011 was 21 percent lower than in 2008 in constant dollars.



($ in millions)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total local government support of local arts agencies in 60 large cities	278.0	311.7	322.2	325.0	318.5	337.2	332.7	434.7	460.2	444.6	405.8	381.1
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	104.5
Constant dollar local government support of local arts agencies in 60 large cities	347.5	378.9	385.6	380.3	363.0	371.7	355.3	451.3	460.2	446.2	400.6	364.7
Indexed to 2003 = 1.00	.91	1.00	1.01	1.00	0.95	0.98	0.93	1.19	1.21	1.17	1.05	0.96

Chapter 4. Capacity Indicators

There are 14 *Capacity* indicators for 2011. Capacity indicators measure the numbers 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, and in the organizational networks that create a supportive infrastructure. They are presented here in an order roughly from individuals to institutions.

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

Table 5. Capacity Indicators Per Year (includes "retired" indicators from prior years)

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
11	11	11	14	14	14	14	14	14	14	14	14

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

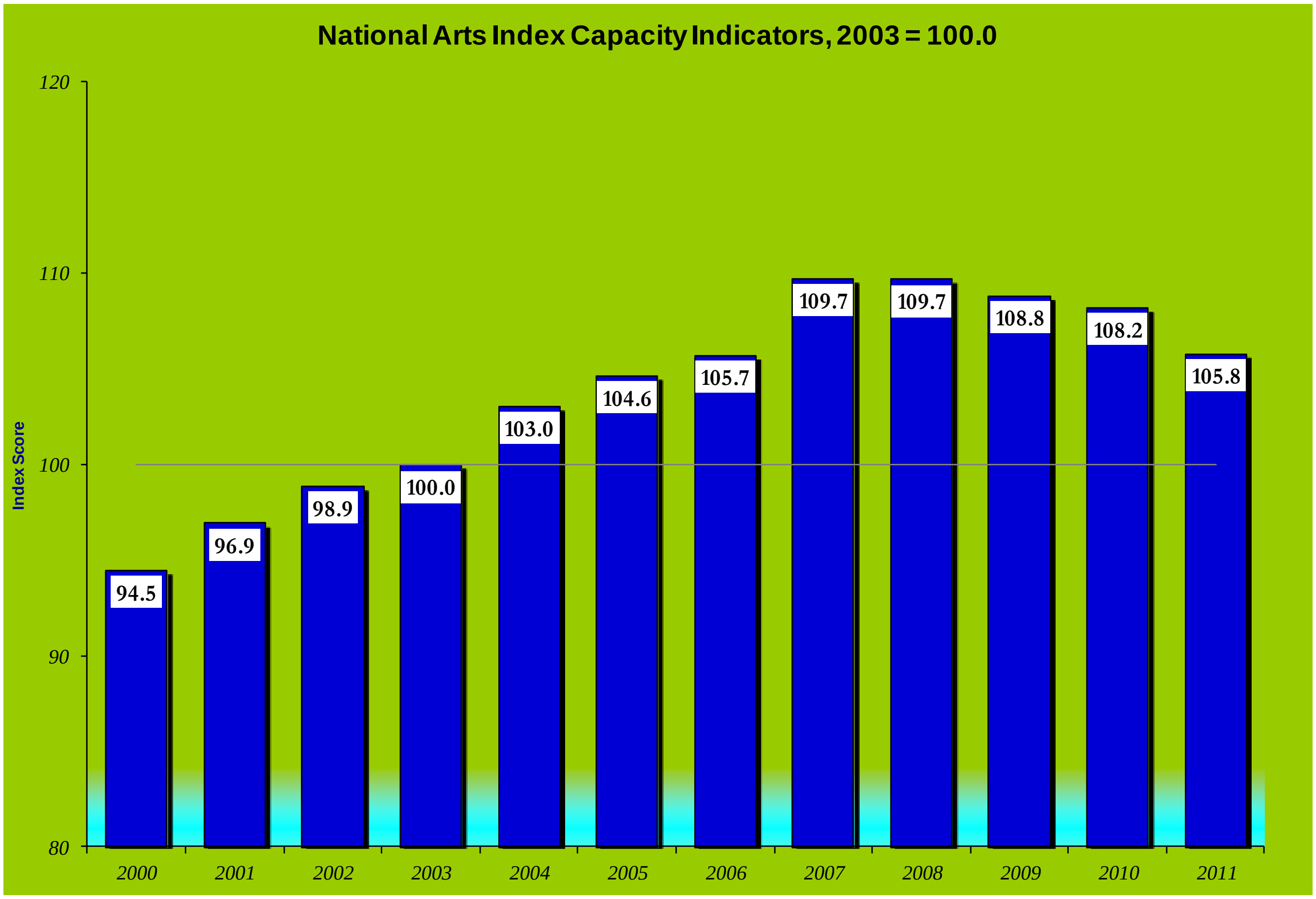


FIGURE E. NATIONAL ARTS INDEX CAPACITY INDICATORS (2003 = 100.0)

This dimension of the Arts and Culture Balanced Scorecard illustrates one of the most striking results we found: the sharp increase in the capacity of the arts industries shown in this figure, followed by steady decline. This was visible in both human and financial terms. Every year from 2000 through 2007, 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. 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.

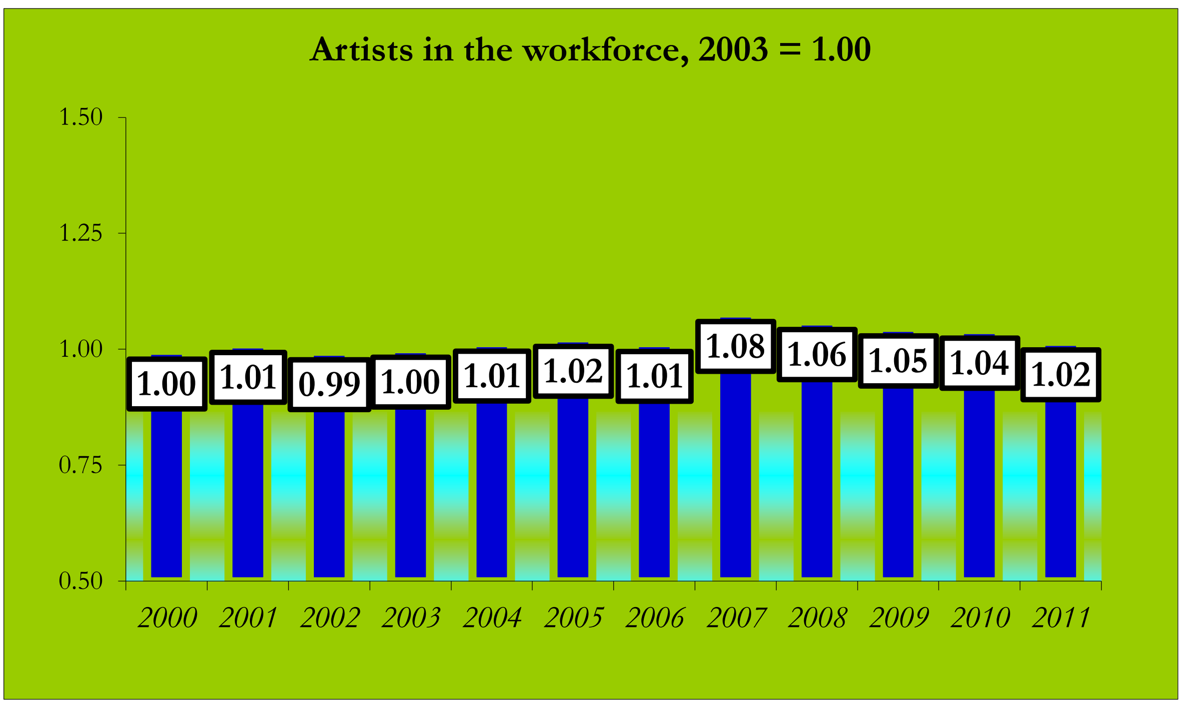
In 2011, capacity continued to drop. Especially noteworthy is a drop of 16 percent in the number of *registered* nonprofit arts organizations. Most measures of employment stayed steady, in an environment where the labor market was shrinking. Some kinds of establishments maintained a steady level (movie screens), while others (CD stores) continue to decline in number. Capital investment in arts and culture businesses and nonprofits declined slightly after years of steady increase. 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 don't show the detail of how some new organizations are added, while other existing ones go out of business, for example. Thus, they can't tell us about the level of attrition in existing capacity, as some organizations fail or workers find other occupations.

Cumulatively, the individual indicators described in the following 14 pages provide additional detail on the overall changes in capacity in the arts and culture industries from 2000 to 2011.

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 the *kind of work* people do. This measure comes from data published by the National Endowment for the Arts. The NEA's Office of Research and Analysis uses data from the monthly Current Population Survey (CPS) of the Census Bureau, and classifies workers as "artists" if their primary occupation is one of 11 occupational types related to artistic work in the Bureau of Labor Statistics categorization scheme. The CPS determines a respondent's occupation based on the work that 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 be employed as an artist, but be classified in another industry if they worked more hours in the non-arts job.

This indicator measures the total number of artists in the civilian workforce, based on the CPS data published by the Endowment. According to this measure, there were between 2.0 million and 2.2 million artists in the workforce from 2000 through 2011. 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 for a fourth consecutive year in 2011.

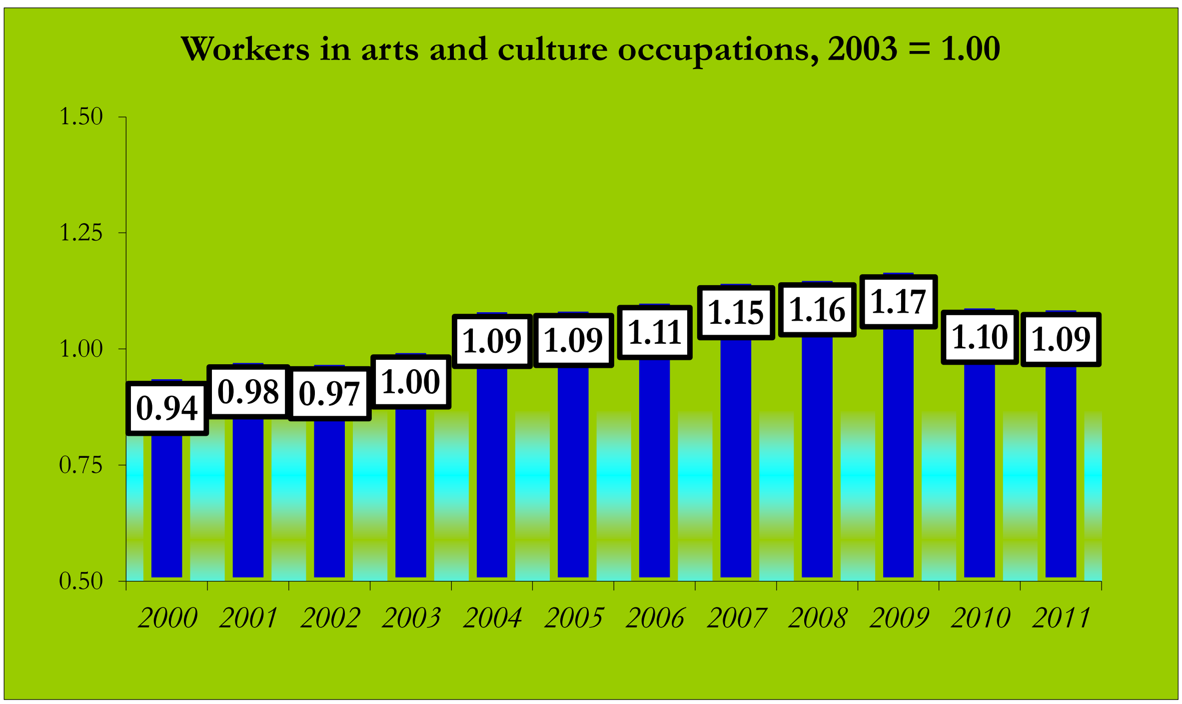


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total artists in the civilian workforce (000)	2,106	2,136	2,103	2,114	2,142	2,164	2,141	2,277	2,240	2,211	2,201	2,148
Indexed to 2003 = 1.00	1.00	1.01	0.99	1.00	1.01	1.02	1.01	1.08	1.06	1.05	1.04	1.02

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 be different 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 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 looks at workers through their occupation rather than their status as employees. Following growth from 1.3 million in 1999 to 1.7 million in 2009 (+29 percent), 2010 and 2011 marked the first declines since 2002. 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, the rise in numbers of workers from 2004 through 2009 is for the same set of occupations, as are the declines since 2009.

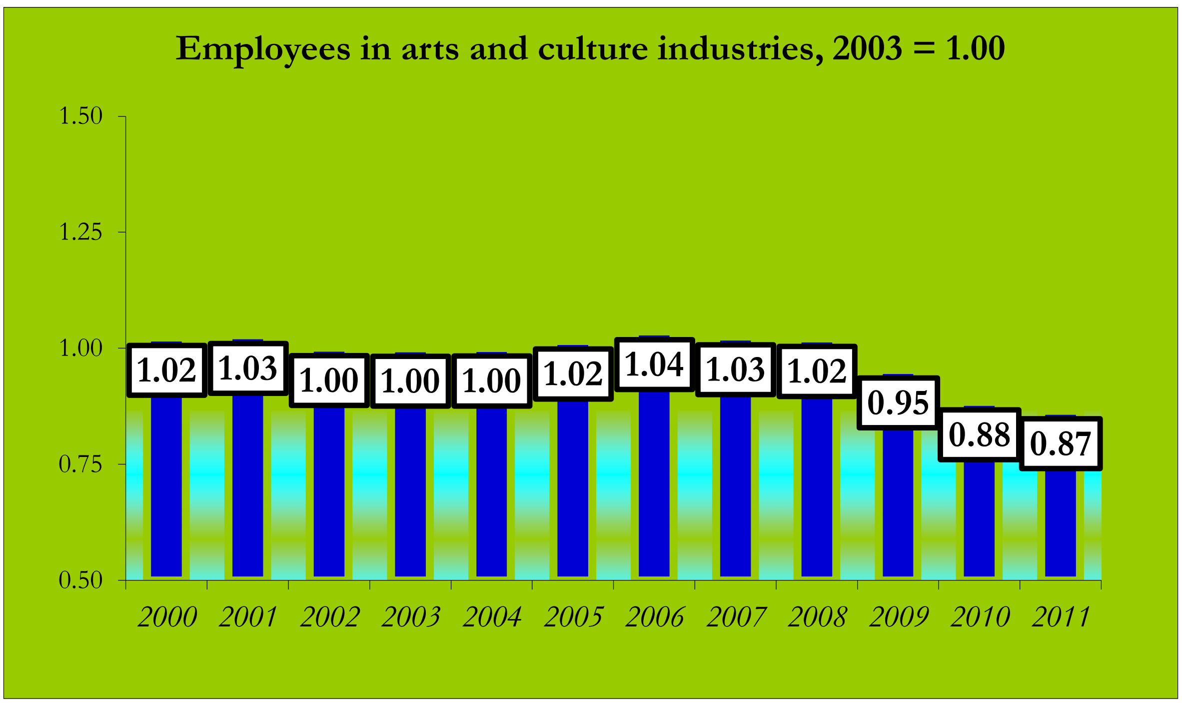


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Workers in arts and culture industries (000)	1,356	1,407	1,401	1,438	1,564	1,566	1,591	1,652	1,661	1,686	1,576	1,569
Indexed to 2003 = 1.00	0.94	0.98	0.97	1.00	1.09	1.09	1.11	1.15	1.16	1.17	1.10	1.09

20. Employees in Arts and Culture Industries

This employment indicator measures *where* people work, that is, in which industry. Employment in the arts and culture industries signals overall economic vitality and engagement by workers, and is a clear economic benefit of demand for artistic products and services. 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, there have been between 1.9 million and 2.1 million workers in these industries since 1999. 2009 was the first time that total employment fell below 2 million in a decade, and the decline continued into 2011.

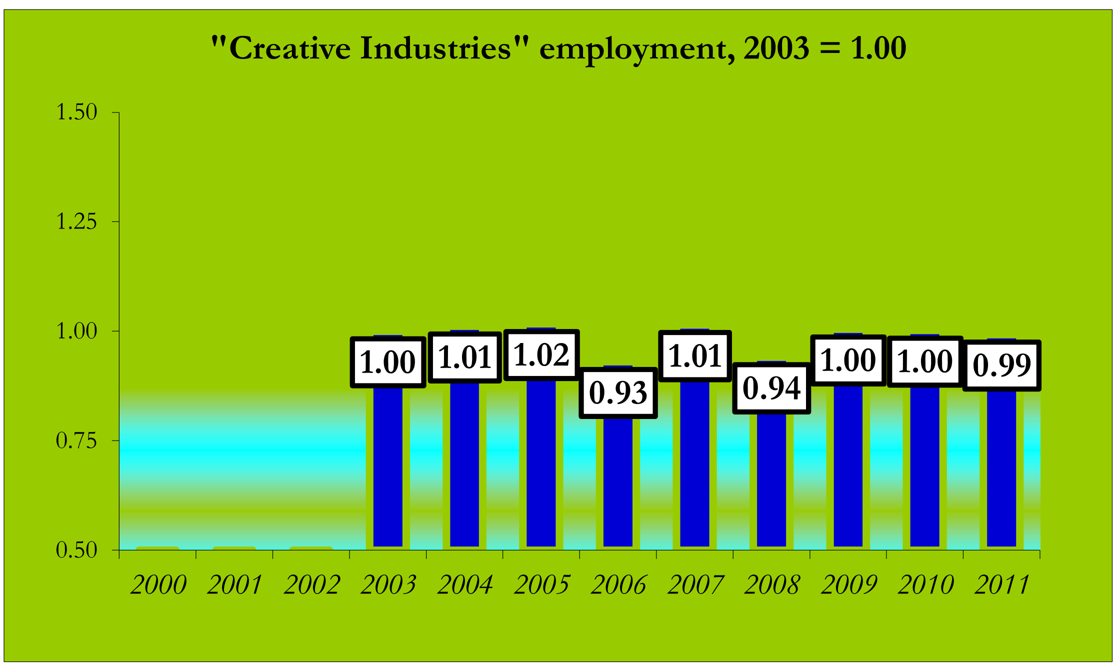


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Annual employees in arts-related NAICS industries (000)	2,100	2,109	2,055	2,052	2,053	2,084	2,126	2,103	2,095	1,956	1,815	1,776
Indexed to 2003 = 1.00	1.02	1.03	1.00	1.00	1.00	1.02	1.04	1.03	1.02	0.95	0.88	0.87

21. "Creative Industries" Employment

Because employment is such a key measure of overall vitality of the economy and the nation, and because there is more than one way to tally employment, the Index includes more than one reliable employment measure. Another research project of Americans for the Arts is an annual (since 2003) "Creative Industries" study of businesses involved with the production and 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, fitting 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). Employment in these industries has stayed in the range of 2.8 million to just under 3 million, declining except for a one year peak in 2007. Viewed as a fraction of employees in all industries where D & B gathers data, the "Creative Industries" share of all employment has stayed in the narrow range from 2.0 percent to 2.2 percent from 2003 to 2011. In recent years, D & B aggressively expanded its list of businesses establishments, resulting in a higher number of total employees. The year-to-year trend in share for the arts, however, has remained steady.

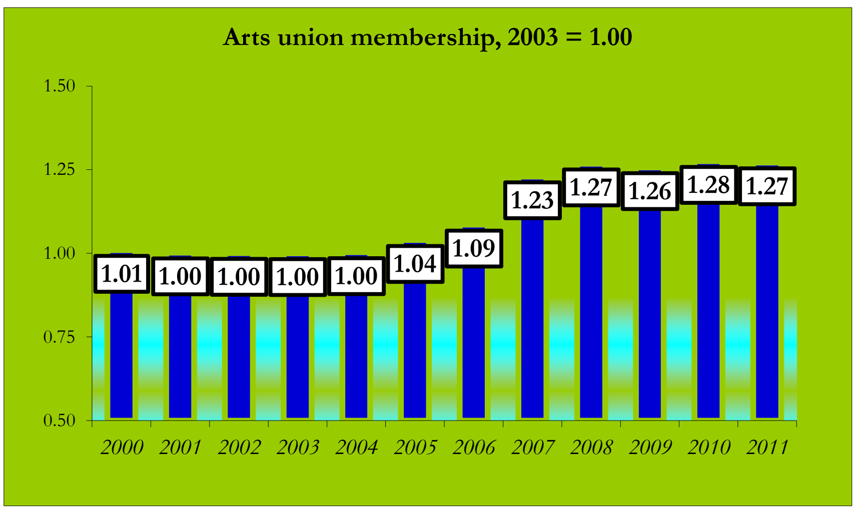


(All figures in 000)	2000-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Arts Employees		2,989	2,966	2,869	2,671	2,981	2,817	2,991	2,991	3,348
Total D&B Employees		137,936	135,312	130,208	132,436	135,607	138,177	137,364	137,771	N/D
Arts share of total		2.17%	2.19%	2.20%	2.02%	2.20%	2.04%	2.18%	2.17%	2.15%
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

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 ten 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. For example, Screen Actors Guild and American Federation of Television and Radio Artists may have as much as 40 percent shared membership, based on the work of performers in new digital media platforms. On the other hand, some arts workers, such as ticket takers, are represented by unions not listed here (e.g., Teamsters or Service Employees International Union). Total membership in these arts-specific unions was 547,000 in 2011, down slightly from 2010.

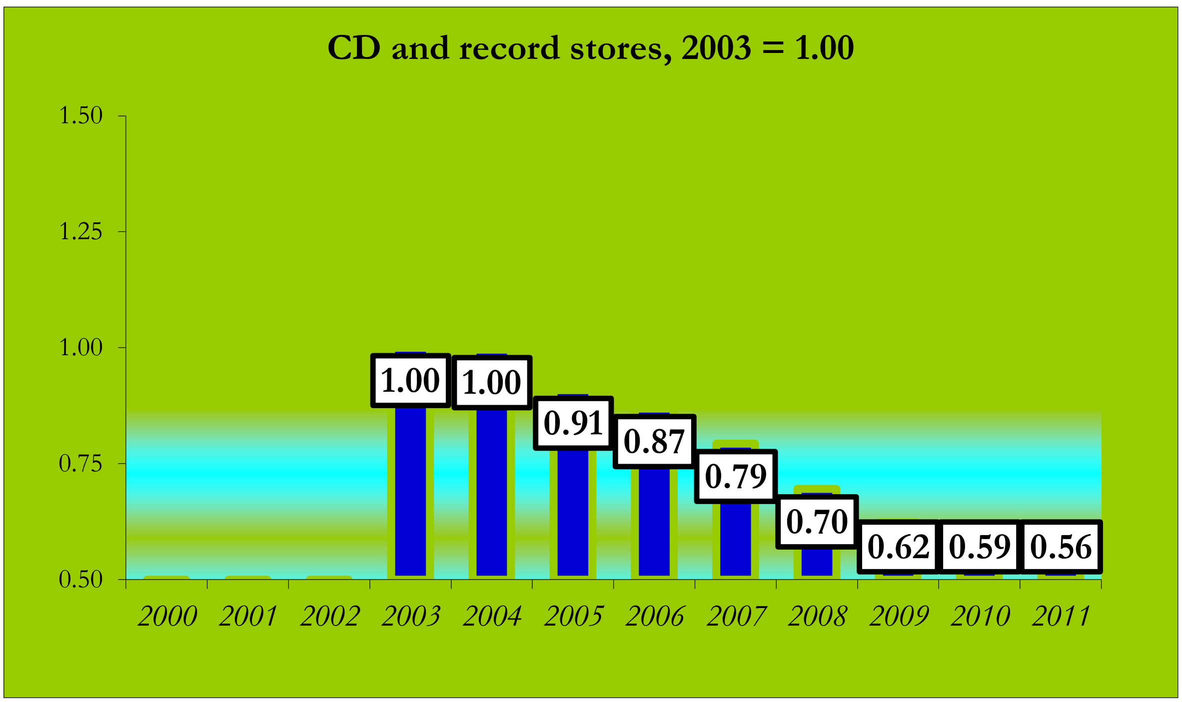


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Actors Equity	44,000	44,232	45,096	46,013	46,772	39,397	39,969	41,358	42,166	42,676	42,524	42,549
American Federation of Musicians	110,000	104,000	102,000	98,893	96,632	92,006	89,860	89,460	88,423	89,349	92,404	85,039
American Federation of Television and Radio Artists	62,400	62,084	63,212	64,980	59,431	57,452	70,106	59,788	70,716	61,522	65,182	68,113
American Guild of Musical Artists	5,835	5,835	7,000	6,778	8,775	9,525	6,886	6,821	7,084	6,937	6,898	7,149
American Guild of Variety Artists	3,900	3,900	3,900	3,900	3,900	3,900	3,100	2,697	2,894	2,917	2,800	2,800
Directors Guild of America	12,160	12,460	12,763	12,885	13,124	13,384	13,326	13,775	14,310	14,478	14,624	14,842
International Association of Theatrical Stage Employees	100,000	101,890	103,506	104,102	105,180	105,273	105,366	108,386	110,784	112,424	112,466	112,461
Motion Picture Industry Basic Crafts	5,600	5,600	5,600	5,600	5,600	5,600	6,329	6,015	6,075	6,050	6,050	7,050
Screen Actors Guild	77,278	77,278	74,162	73,759	78,698	107,547	108,484	176,455	178,437	179,262	180,091	180,751
Stage Directors and Choreographers Society	1,326	1,752	1,765	1,854	1,948	2,031	2,169	2,274	2,371	2,394	2,467	2,506
Writers Guild of America East	3,900	4,107	4,173	4,161	4,229	3,810	3,770	3,800	3,791	3,777	3,917	3,964
Writers Guild of America West	8,355	8,377	7,646	7,601	7,580	7,627	18,032	18,519	18,881	19,354	19,763	20,181
Total	434,754	431,515	430,823	430,526	431,869	447,552	467,397	529,348	545,932	541,140	549,186	547,405
Indexed to 2003 = 1.00	1.01	1.00	1.00	1.00	1.00	1.04	1.09	1.23	1.27	1.26	1.28	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 the downloads. The Almighty Institute of Music Retailing monitors the retail sector, maintaining a database that is updated three times each year. The Institute covers all retailers including “big box” retailers, department stores, record company chains, and independent “mom and pop” record stores, as long as they 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 1,863 by 2011 (-44 percent).

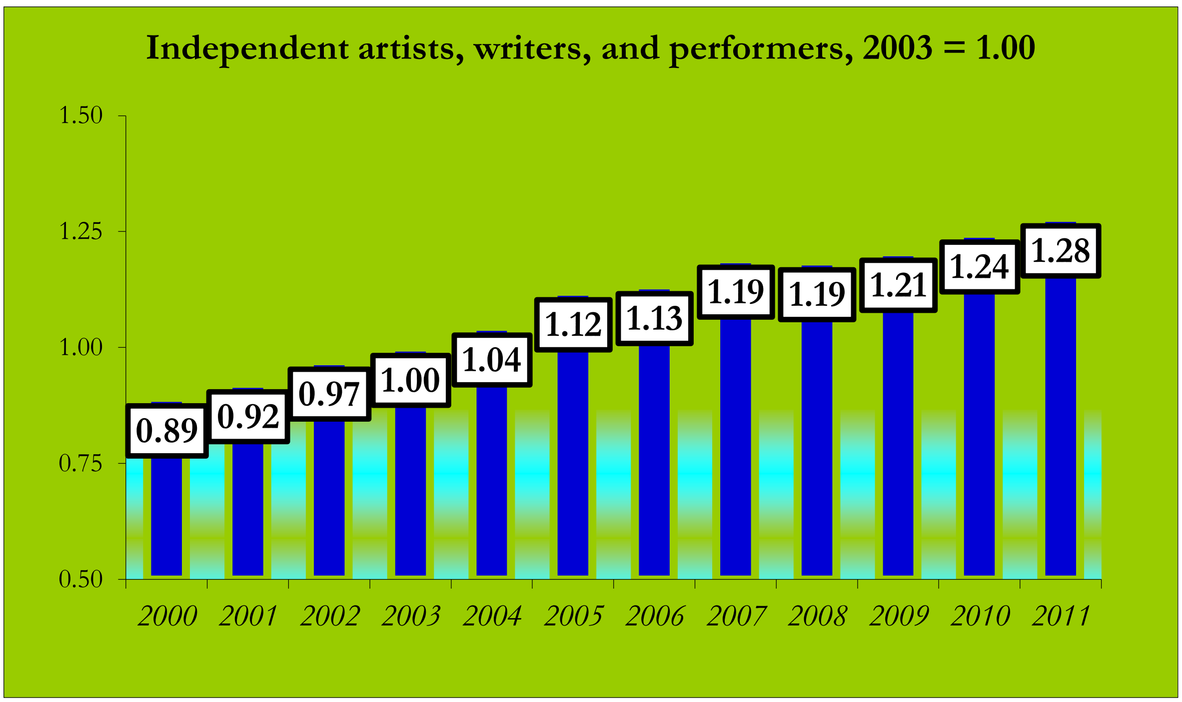


	2000-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Independent CD Stores		3,329	3,315	3,024	2,892	2,641	2,316	2,074	1,966	1,863
Indexed to 2003 = 1.00	N/D	1.00	1.00	0.91	0.87	0.79	0.70	0.62	0.59	0.56

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 in 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 total number of individual artists in NAICS 7115 who are not employers, labeled "Independent artists, writers, and performers." This figure grew steadily between 2000 and 2011, from 509,000 to 730,000. 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 proprietors is a mark of continuing interest, and shows enthusiasm on the part of individual artists to be commercial competitors.

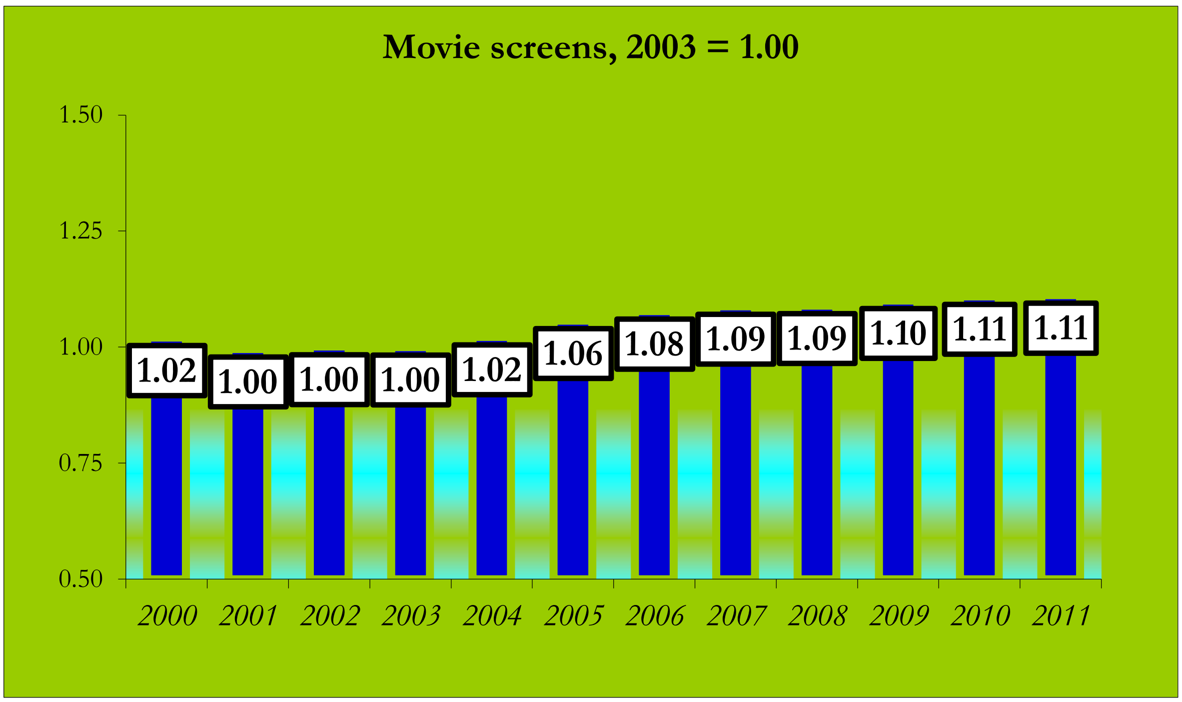


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Independent artists, writers, and performers	508,608	525,921	553,776	570,577	595,845	639,149	646,865	679,247	676,182	687,699	710,327	730,022
Indexed to 2003 = 1.00	0.89	0.92	0.97	1.00	1.04	1.12	1.13	1.19	1.19	1.21	1.24	1.28

25. Movie Screens

Film production reaches audiences on screens in movie houses, via their televisions, 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 the movie ecology.

This indicator measures the number of movie screens, as reported by the National Association of Theatre Owners. This increased from about 36,000 in 2000 to nearly 40,000 in 2011, and has grown steadily since 2003. This translates into 127 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.

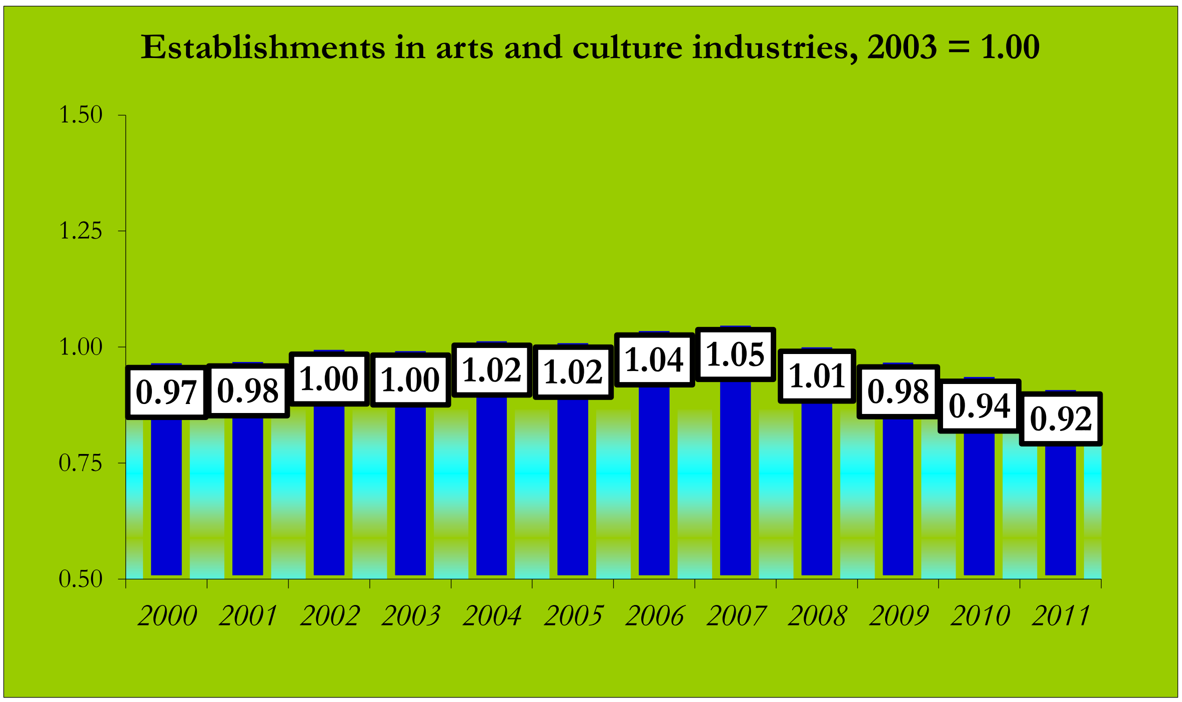


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Movie Screens	36,379	35,506	35,688	35,650	36,435	37,688	38,415	38,794	38,834	39,233	39,547	39,461
U.S. population (millions)	282.2	285.1	287.8	290.3	293.0	295.8	298.4	301.6	304.4	307.0	309.6	311.6
Movie screens per million population	128.9	124.5	124.0	122.8	124.3	127.4	128.8	128.6	127.6	127.8	127.7	127.2
Indexed to 2003 = 1.00	1.02	1.00	1.00	1.00	1.02	1.06	1.08	1.09	1.09	1.10	1.11	1.11

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 "Creative Industries" employment (Indicator #21). Almost 220,000 commercial and nonprofit arts firms play roles as artists, ensembles, intermediaries, and more. The tally of arts establishments grew slowly, but steadily, from 2000 through 2007. 2008 was a different story, with 10,000 establishments (about 4.4 percent) fewer in 2008 during the late-decade recession and another 20,000 lost through 2011.

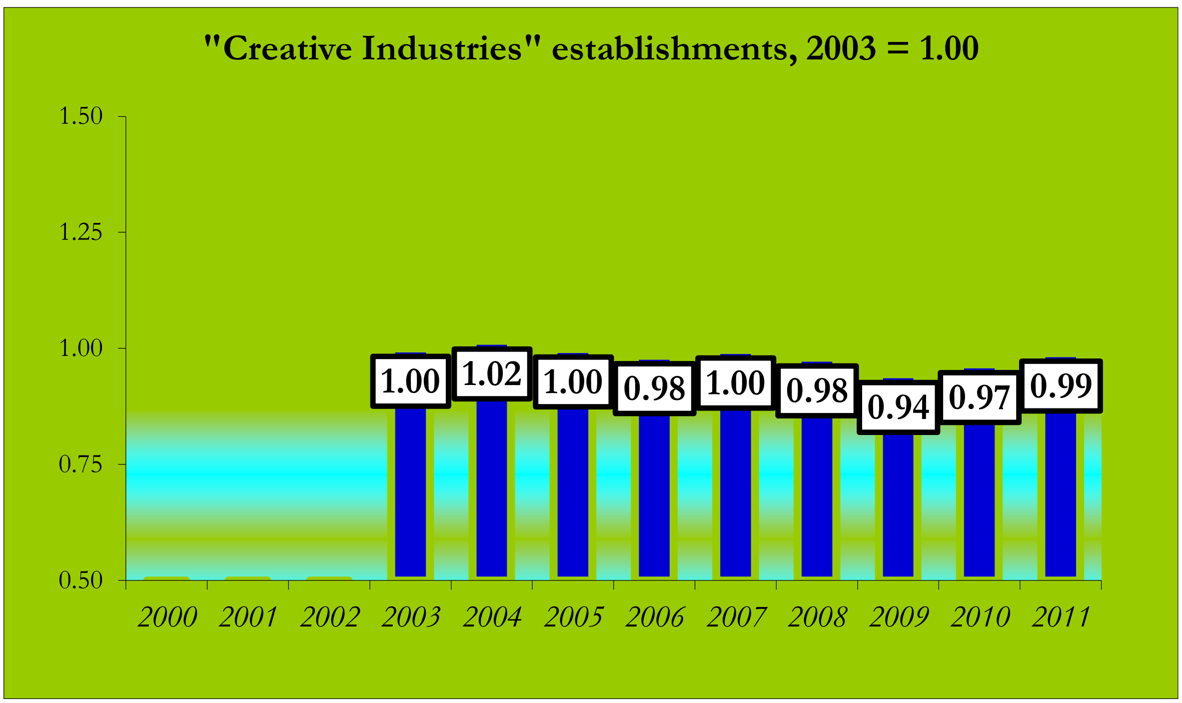


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Establishments in all NAICS industries	210,785	211,448	216,995	216,480	221,107	220,185	225,880	228,377	218,328	211,081	204,375	198,344
Indexed to 2003 = 1.00	0.97	0.98	1.00	1.00	1.02	1.02	1.04	1.05	1.01	0.98	0.94	0.92

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. 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." There were 906,000 arts establishments in 2010. As a share of all of the nation's businesses, "Creative Industries" firms maintain a steady share of between 4.1 percent and 4.4 percent of all establishments counted by Dun & Bradstreet (21.5 million). In recent years, D & B aggressively expanded its list of businesses establishments, resulting in a higher number. The year-to-year trend in share for the arts, however, has remained steady.

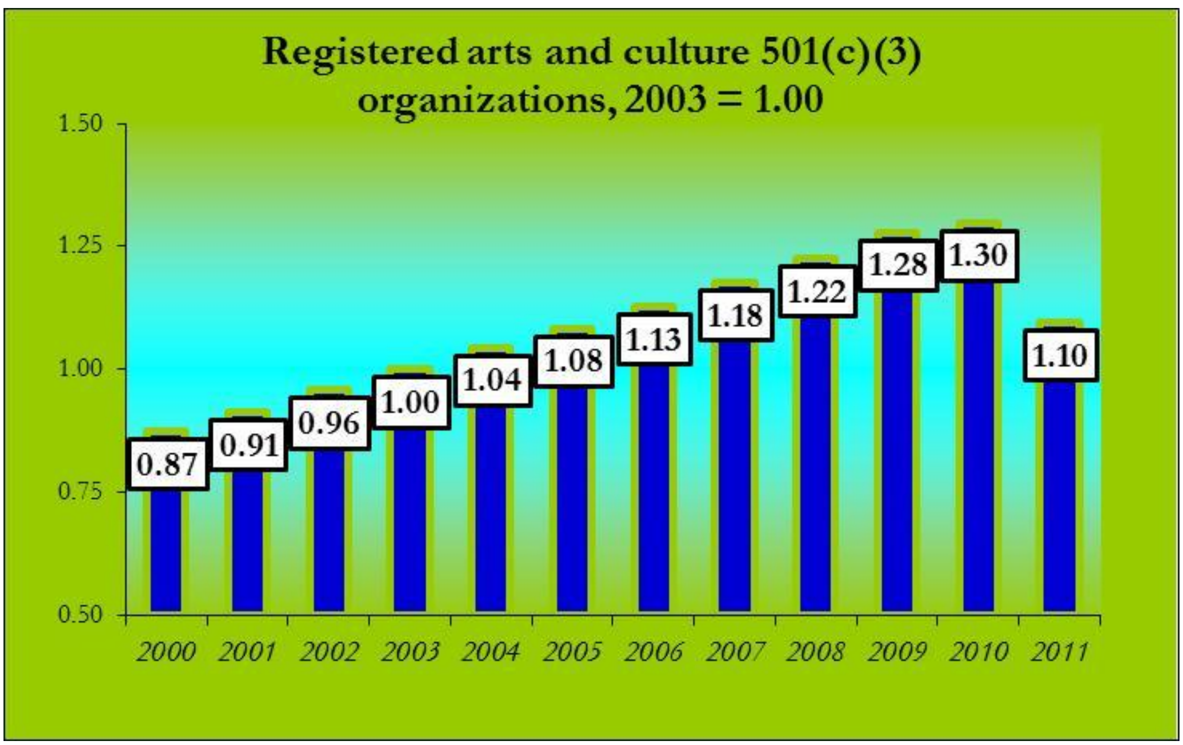


	2000-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Arts Businesses		548,281	578,487	546,466	546,558	612,095	686,076	668,267	756,007	905,869
Total D&B Businesses		12,784,363	13,273,733	12,758,821	12,944,618	14,324,023	16,325,581	16,504,276	18,260,822	N/D
Arts as % of total		4.29%	4.36%	4.28%	4.22%	4.27%	4.20%	4.05%	4.14%	4.24%
Indexed to 2003 = 1.0	N/D	1.00	1.02	1.00	0.98	1.00	0.98	0.94	0.97	0.99

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 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), a greater growth rate than all nonprofit organizations, which grew 32 percent (1.2 million to 1.6 million). After 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 18,000 arts groups departing from the records through 2011—a 16 percent drop.

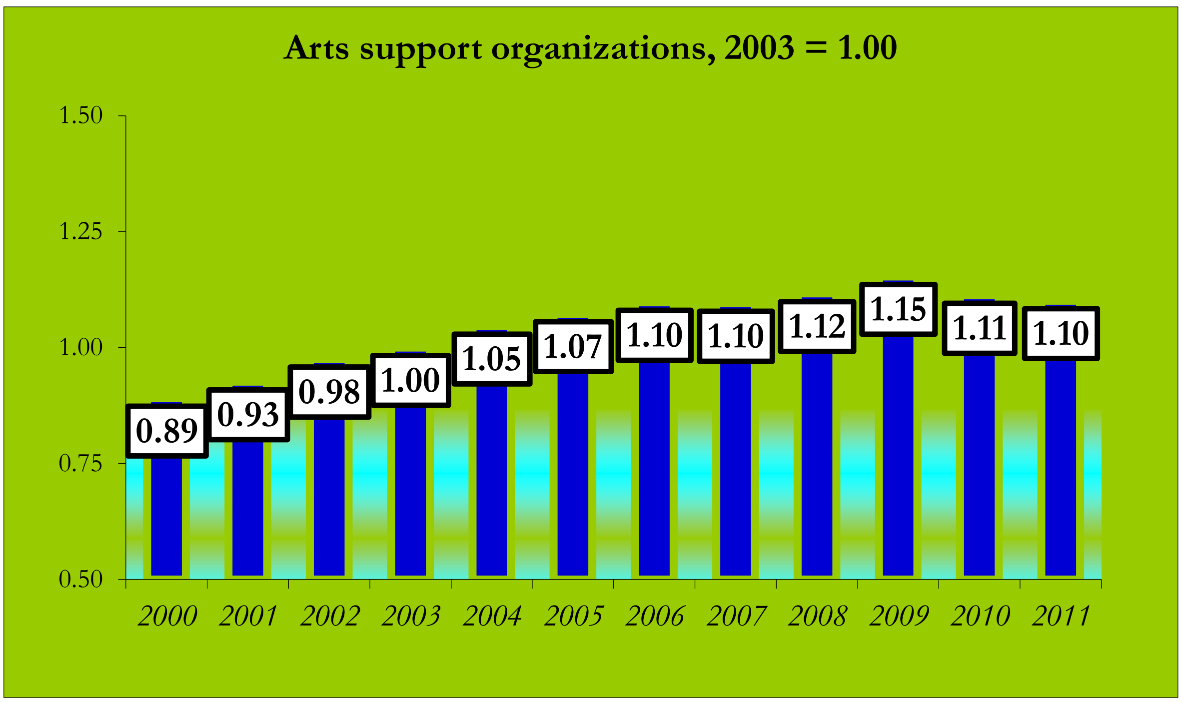


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Registered 501(c)(3) organizations	76,249	79,636	83,521	87,223	91,107	94,450	98,377	102,638	106,845	111,526	113,188	95,339
Indexed to 2003 = 1.00	0.87	0.91	0.96	1.00	1.04	1.08	1.13	1.18	1.22	1.28	1.30	1.10

29. Arts Support Organizations

A 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 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. The number of such support organizations grew steadily between 1999 and 2009 (from 2,600 to 3,800), before showing a decrease to 3,600 in 2011.

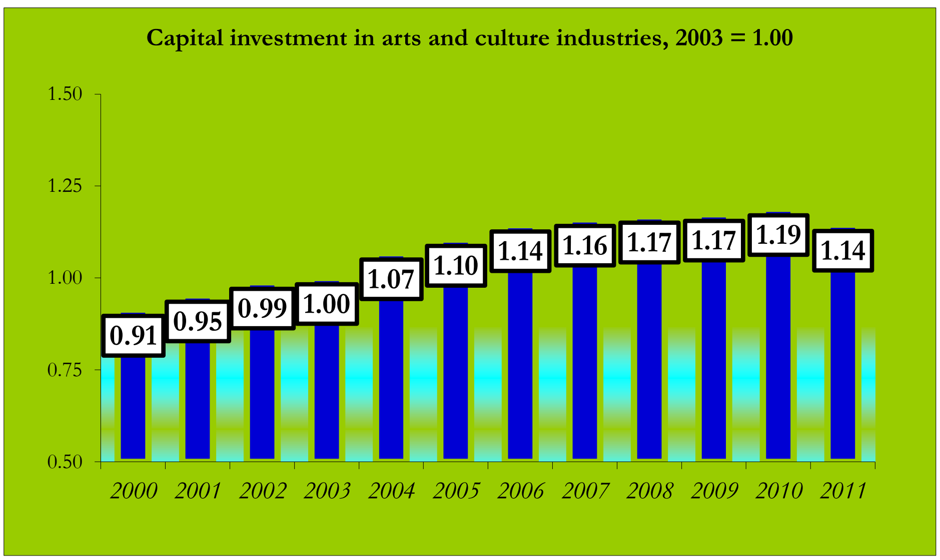


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Arts support organizations	2,945	3,061	3,223	3,305	3,458	3,546	3,627	3,620	3,690	3,812	3,677	3,639
U.S. population (millions)	282..2	285.1	287.8	290.3	293.0	295.8	298.6	301.6	304.4	307.0	309.2	311.6
Arts support organizations per million population	10.4	10.7	11.2	11.4	11.8	12.0	12.1	12.0	12.1	12.4	11.9	11.7
Indexed to 2003 = 1.00	0.89	0.93	0.98	1.00	1.05	1.07	1.10	1.10	1.12	1.15	1.11	1.10

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 to reach larger audiences (buildings, lights, 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 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 and magazines as well as 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 probably understated in the table. Current dollar capital increased 63 percent to $70 billion from 2000-2010 2008, but constant dollar change was only 25 percent. A slight increase in current dollar capital investment in 2011 was less than the rate of inflation, so constant dollar capital investment in these industries declined.

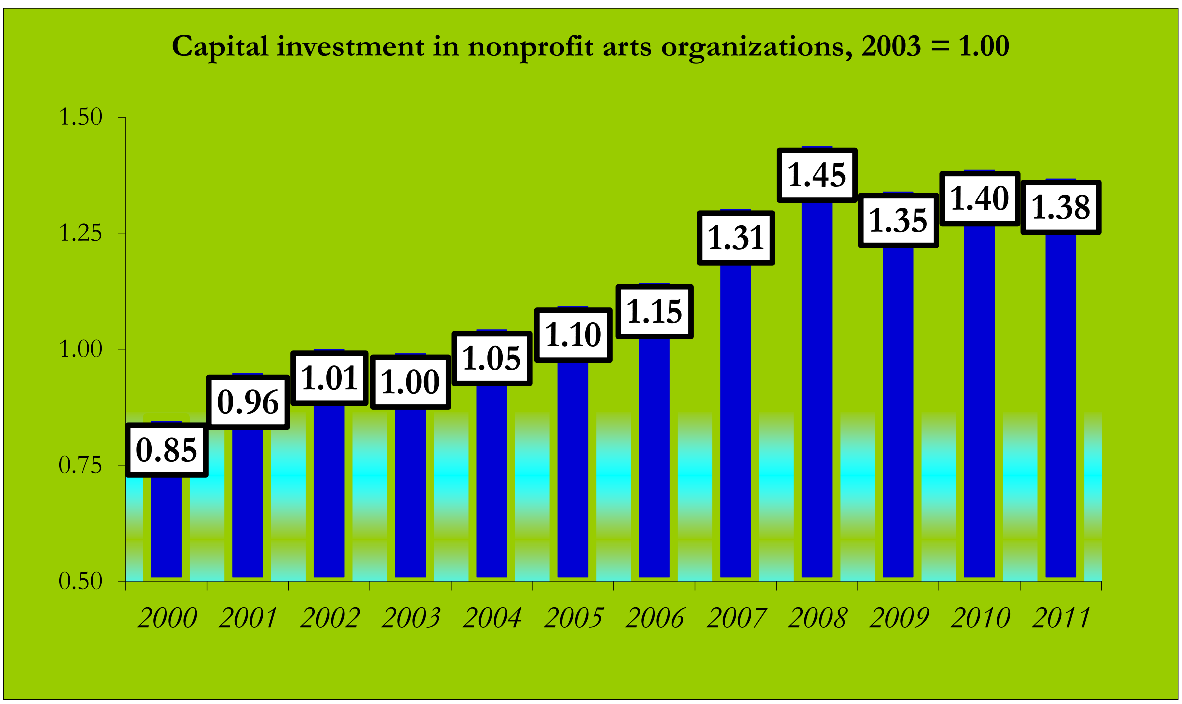


	2000	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Net Capital Stock of NAICS 511,- Publishing Industries ($M)	60,185	71,651	79,176	84,599	89,037	97,480	106,012	112,375	112,938	115,331	116,302
Share of revenue in NAICS 511 from NAICS 5113, Book Publishers	17.5%	19.1%	18.5%	19.4%	18.7%	18.5%	18.9%	19.8%	21.9%	23.4%	21.7%
Book publisher share of 5110 capital stock ($M)	10,512	13,719	14,623	16,389	16,659	18,001	20,078	22,200	24,718	26,961	25,238
Net Capital Stock of NAICS 5120 - Motion Picture and Sound Recording Industries ($M)	33,246	35,692	36,528	39,671	43,298	46,095	46,728	47,677	44,991	44021	46,361
Total net capital stock of selected industries	43,758	49,411	51,151	56,060	59,957	64,096	66,806	69,877	69,709	70,982	71,399
CPI at 2008 = 100.0	80.0	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5
Constant dollar total net capital stock of selected industries ($M)	54,710	59,134	59,853	63,895	66,097	68,452	69,370	69,877	69,956	70,085	68,530
Indexed to 2003 = 1.00	0.91	0.95	0.99	1.00	1.10	1.14	1.16	1.17	1.17	1.19	1.14

31. Capital Investment in Nonprofit Arts Organizations

The physical capital of nonprofit arts organizations includes property, plant, equipment, and facilities. Museums, theatres, concert halls, 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 average annual value of capital on the balance sheets of nonprofits in NTEE Major Group A, plus group N52 (fairs and festivals), converted to 2008 dollars to adjust for inflation. After several years of steady increase from 2000 through 2008, capital stock leveled off and in 2011 was $33.7 billion in constant dollars. Because these figures are reduced from their original value by depreciation, and because they are converted to constant dollars, they reflect a vigorous level of capital investment in theatres, arts centers, museums, and the equipment that makes arts accessible. Just as in the case of nonprofit revenue (indicator # 11), they only describe the 43 percent of arts organizations that file the IRS Form 990. The overall growth in capital spending is probably greater than reported, because the reports do not distinguish between capital spending for expansion and capital spending to replace equipment that has been fully depreciated.



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Capital assets net of depreciation ($M)	16,736	19,294	20,657	20,944	22,603	24,489	26,436	30,939	35,443	32,925	34,640	35,244
CPI at 2008 = 100.0	80.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5
Constant dollar net capital assets ($M)	20,925	23,455	24,722	24,507	25,761	26,997	28,233	32,127	35,443	33,042	34,202	33,734
Indexed to 2003 = 1.00	0.85	0.96	1.01	1.00	1.05	1.10	1.15	1.31	1.45	1.35	1.40	1.38

CHAPTER 5. ARTS PARTICIPATION INDICATORS

There are 21 indicators of *Arts Participation* for 2011. The indicators in this dimension represent arts and culture activity in society and in the markets. While the Financial Flows indicators in Chapter 2 were all described in dollar terms, the indicators in this dimension mainly measure activity and experience in the arts, in the forms of personal engagement. Examples are being a part of audiences for public broadcasting, museums, and live performances as well as spending on cultural experiences and products, and contributing time and money. Like some of the Financial Flows indicators, the indicators in this section offer visible and easily recognized measures of the arts—they answer the questions, "How much art is being produced," and "How many people are consuming the arts?" Here, however, they are tracked mainly in terms of numbers of people.

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

32.	Copyright applications
33.	Personal expenditures on arts and culture
34.	New work in theatre, orchestra, opera, Broadway, and film
35.	Books published on music, theatre, dance, or art
36.	Volunteering for arts organizations
37.	Arts work in volunteering (new indicator in 2013)
38.	Performance of SAT test takers with four years of art or music
39.	Arts majors by college bound seniors
40.	Visual and performing arts degrees
41.	Non-commercial radio listenership
42.	Public television viewing
43.	Foreign visitor participation in arts and culture activity
44.	Attendance at Broadway shows in New York City
45.	Attendance at touring Broadway shows
46.	Attendance at live popular music
47.	Attendance at symphony, dance, opera, and theatre
48.	Motion picture attendance
49.	Art museum visits
50.	Opera attendance
51.	Symphony attendance
52.	Nonprofit professional theatre attendance

TABLE 7. ARTS PARTICIPATION INDICATORS PER YEAR **(INCLUDES "RETIRED" INDICATORS FROM PRIOR YEARS)**

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
14	14	16	21	21	21	21	21	21	21	21	21

Averaged across all available data, they produce the following twelve12-year trend:

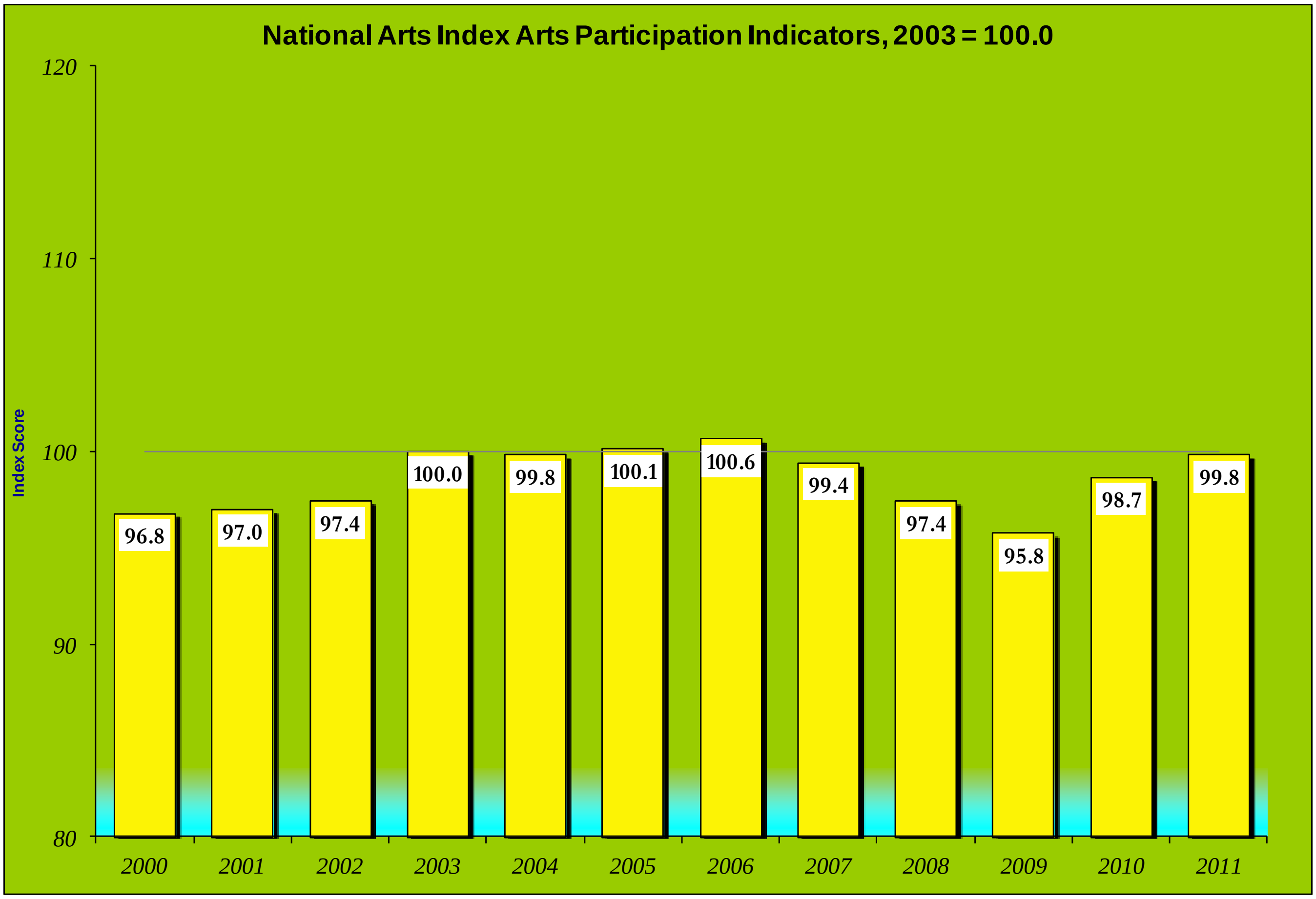


FIGURE F. NATIONAL ARTS INDEX ARTS PARTICIPATION INDICATORS (2003 = 100.0)

The Capacity indicators in Chapter 4 showed a steady increase over most of the decade of the 2000s. An initial look at the chart suggests that this has not been echoed in the delivery and consumption of arts services. This is one of the more striking findings of the first three National Arts Index reports—that the vigor of the arts industries (the supply side) was not matched by a parallel increase in participation and engagement. Capacity expanded, then leveled off, but for many of those years, demand did not keep pace when measured as the number of people who are consuming rather than the dollars generated. 2011 appears to be the second year for an increase in arts consumption and participation.

21 indicators comprise the Arts Participation measure. Taken together, they steadily increased from 2002, albeit very slowly, through 2006. The 2006 index score of 101.0 is the highest of the 12 years of data. Yet in important ways, demand for 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 four years and increased in two, only regaining the level of arts participation seen early in the decade.

Attendance grew for some mainstream nonprofit arts forms while others continued long-term declines. Market data gathered by Scarborough Research (205,000 surveys annually in the largest 81 metropolitan areas) indicates an upturn in what had been a recent decline in numbers attending performing arts events (symphony, dance, opera, theater)—but some of the service organizations in those fields reported smaller audiences in 2011. Attendance at Broadway shows grew in New York City, but declined around the country for Broadway tours. Consumption of American cultural activities by foreign tourists also dropped in 2011.

Overall, we reiterate the finding of earlier National Arts Index reports: levels of production and consumption of the arts, even though they are marginally higher than in 2010, are not very satisfying. The concern that these indicators raise is that despite the virtues of the arts, the attention they receive, and a long-term increase in arts capacity, demand is not vigorous. Some of these effects will be seen again in Chapter 6, which looks at the competitiveness of the arts.

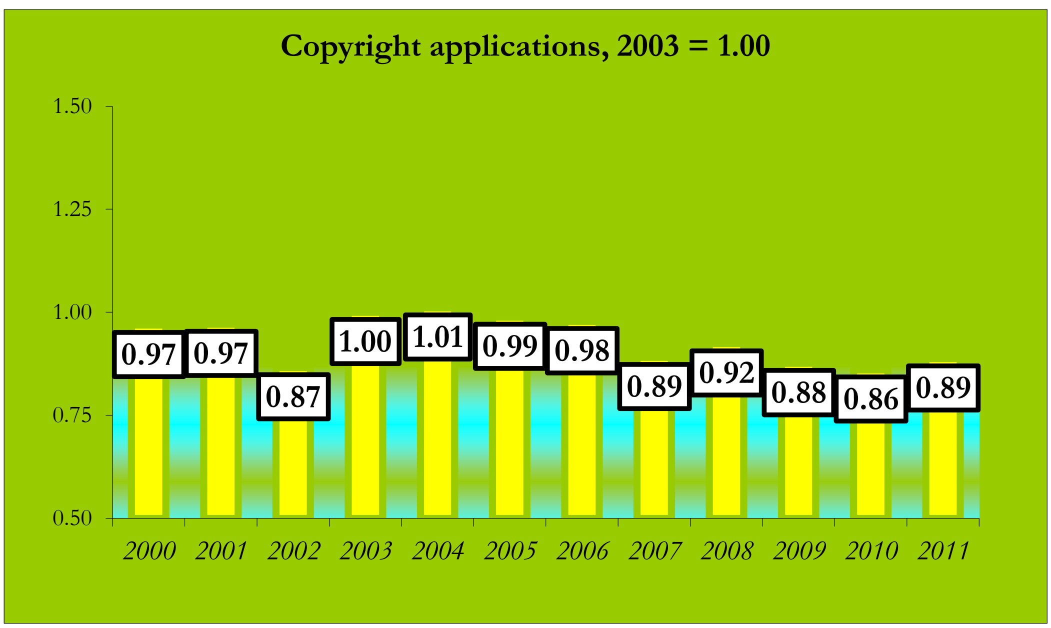
The individual indicators described in the following 21 pages provide additional detail on the sometimes stable, but mostly declining levels of consumption and participation in arts industries, including goods, services, and experiences in arts and culture from 2000 to 2011.

The estimate of the 2011 Arts Participation dimension score is 99.8.

32. 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. The Copyright Office in the Library of Congress administers copyright in the United States. Creators of new work such as authors, composers, lyricists, playwrights, and others claim copyright by submitting a copy and an information form. 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. However, there is a growing lag 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. So, 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 ticked up again in 2011. Part of this may be because the registration fees increased in 1999 and 2006, making it more costly for creators to register their work, or because of the influence of Creative Commons licenses issued by authors as a substitute for formal copyright claims.

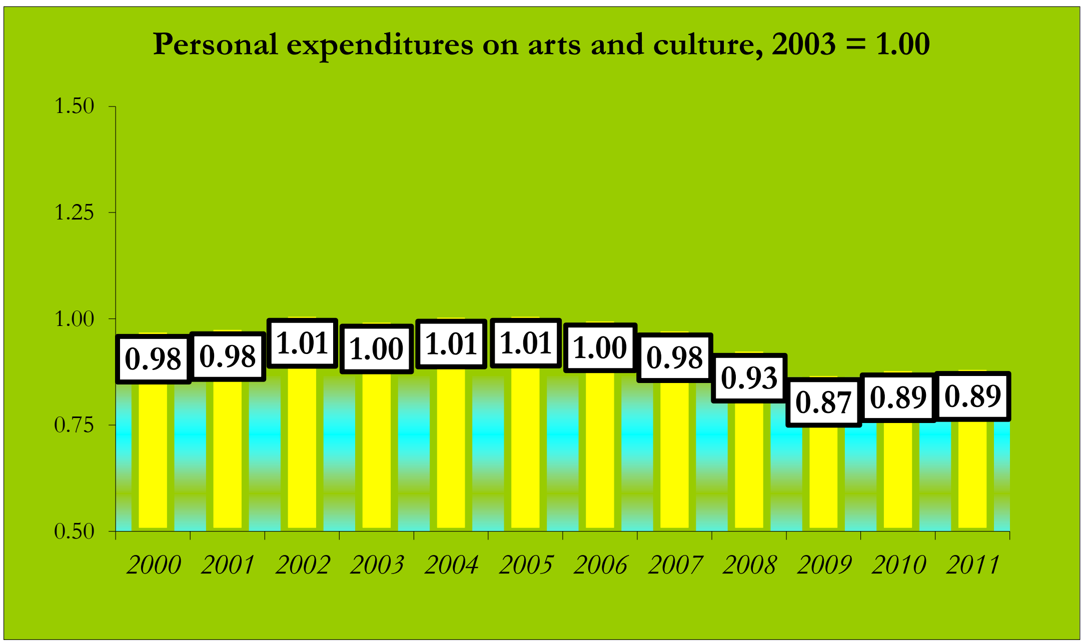


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Copyrights claims received	588,498	590,091	526,138	607,492	614,235	600,535	594,125	541,212	561,428	532,370	522,796	539,332
Copyrights registered	515,612	601,659	521,041	534,122	661,469	531,720	520,906	526,378	232,907	382,086	636,537	N/D
Indexed to 2003 = 1.00	0.97	0.97	0.87	1.00	1.01	0.99	0.98	0.89	0.92	0.88	0.86	0.89

33. Personal Expenditures on Arts and Culture

Total expenditure by consumers on arts and culture goods and services is measured at an aggregate level by the federal government. In the National Income and Product Accounts, the Bureau of Economic Analysis presents yearly data on personal consumption expenditure on different kinds of consumer items.

This indicator measures the total of those expenditures as a share of total personal consumption 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. The items covered include arts and culture goods, services, and experiences: books, recorded audio and video media, tickets to live performing arts, and movies. Between 2000 and 2011, these expenditures increased from $119 billion to $153 billion in current dollars, a total growth of 29 percent. This means that spending has failed to keep up with inflation, and constant dollar expenditure declined through 2010, leveling off in 2011.

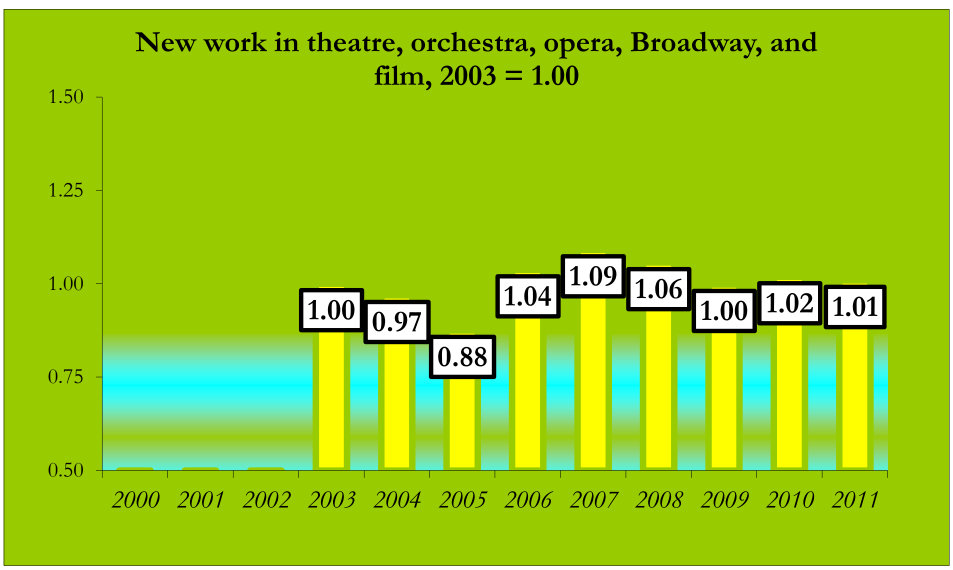


All figures in $M	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Audio equipment	17,751	17,944	18,573	18,972	20,929	24,324	26,426	26,936	25,750	23,199	19,019	19,743
Prerecorded and blank audio discs,tapes,files/downloads	19,123	19,288	19,007	18,669	19,425	19,934	20,314	20,612	21,074	19,723	15,798	16,735
Video cassettes and discs, blank and prerecorded	14,499	16,890	19,167	18,479	19,954	20,367	21,261	21,523	21,635	18,849	17,279	17,156
Photographic equipment	3,726	3,638	3,641	3,777	3,886	4,034	4,192	4,390	4,505	3,935	2,844	3,001
Recreational books	24,423	24,749	25,902	27,151	28,599	29,845	31,435	33,209	33,871	33,818	30,412	32,149
Musical instruments	4,748	4,932	5,180	5,181	5,600	5,795	6,307	6,574	6,271	5,587	4,939	5,116
Educational books	9,043	9,230	9,702	10,148	10,367	10,235	10,222	10,423	10,306	10,125	13,329	14,086
Motion picture theaters	8,611	8,993	9,597	9,883	9,867	9,083	9,413	9,619	9,546	10,388	11,909	11,670
Live entertainment, excluding sports	10,364	11,104	11,880	12,692	13,158	13,786	14,913	15,342	15,529	14,493	17,278	17,919
Museums and libraries	3,800	4,051	4,787	5,197	5,539	5,889	6,444	7,030	7,158	6,352	5,909	6,146
Photo processing	6,409	6,060	5,946	5,761	5,247	4,204	3,219	3,183	2,938	2,810	2,388	2.479
Photo studios	6,529	6,635	6,546	6,752	6,916	7,307	7,470	7,885	8,017	7,902	7,089	7,184
Total personal consumption expenditure on selected goods	129,026	133,514	139,928	142,662	149,487	154,803	161,616	165,386	164,001	157,181	148,193	153,384
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	104.5
Constant dollar personal consumption on selected goods	161,320	162,313	167,462	165,209	167,178	167,493	165,675	161,811	153,932	144,459	146,320	146,811
Indexed to 2003 = 1.00	0.98	0.98	1.01	1.00	1.01	1.01	1.00	0.98	0.93	0.87	0.89	0.89

34. New Work in Theatre, Orchestra, Opera, Broadway, and Film

The creation of new artistic work is critical to 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 other 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 by these arts organizations as reported by their associations. Given that these figures only represent data reported by their members, these numbers are almost certainly understated. There is often a lag between the concept for a new work and its actual premiere, because performing arts seasons and films are planned years in advance and can take years to develop. Thus, the increase from 2004 to 2007 probably reflects an optimism and willingness to invest from prior years. Between 2005 and 2011, there was a 15 percent increase in the number of new opera, theater, film, and symphony works. Since 2006, audiences have been treated to more than one-thousand new works annually.

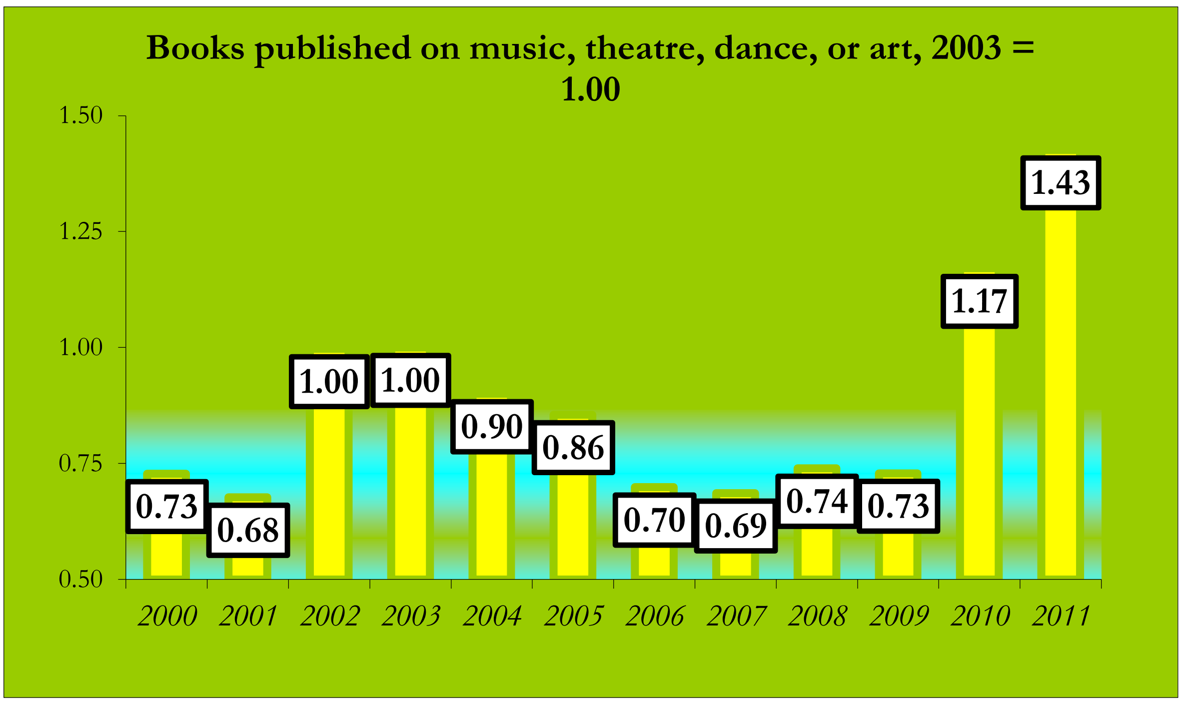


	2000-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
World premieres performed by American opera companies		8	13	9	8	10	19	24	20	10
New Productions on Broadway		36	33	39	39	35	36	43	39	42
World premieres performed by American orchestras		104	109	79	111	124	139	150	173	124
World premieres performed by American theatres		348	288	262	310	337	250	247	242	247
Movies released		528	549	507	594	611	638	558	569	610
Total new work in opera, Broadway, symphony, and theatre		1,024	992	896	1,062	1,117	1,082	1,022	1,043	1,033
Indexed to 2003 = 1.00	N/D	1.00	0.97	0.88	1.04	1.09	1.06	1.00	1.02	1.01

35. 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 in 2010 and again in 2011. 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.

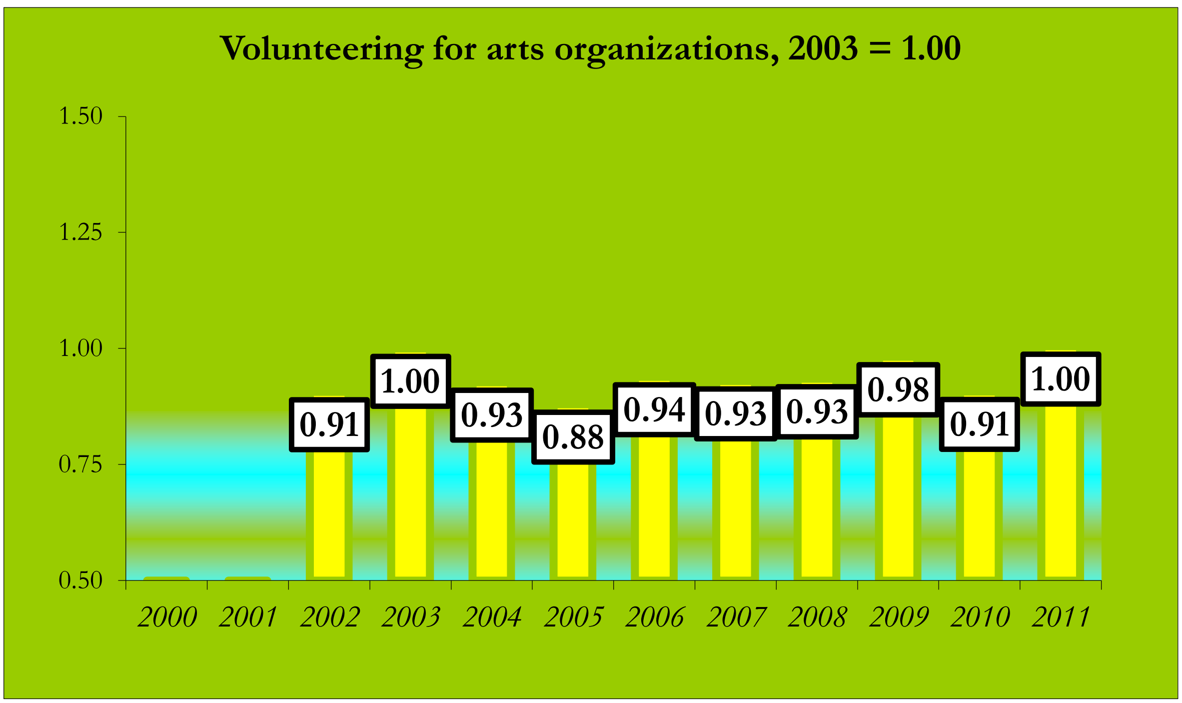


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Books published on music, theatre, dance, or art	7,085	6,588	9,703	9,729	8,759	8,319	6,802	6,678	7,196	7,092	11,390	13,875
Indexed to 2003 = 1.00	0.73	0.68	1.00	1.00	0.90	0.86	0.70	0.69	0.74	0.73	1.17	1.43

36. 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. Volunteers 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 spiked in 2011. It is noteworthy that the largest increase was in people making the arts their first choice of where to volunteer. See also indicator #37, which presents yet another picture of the work that volunteers do in the arts.

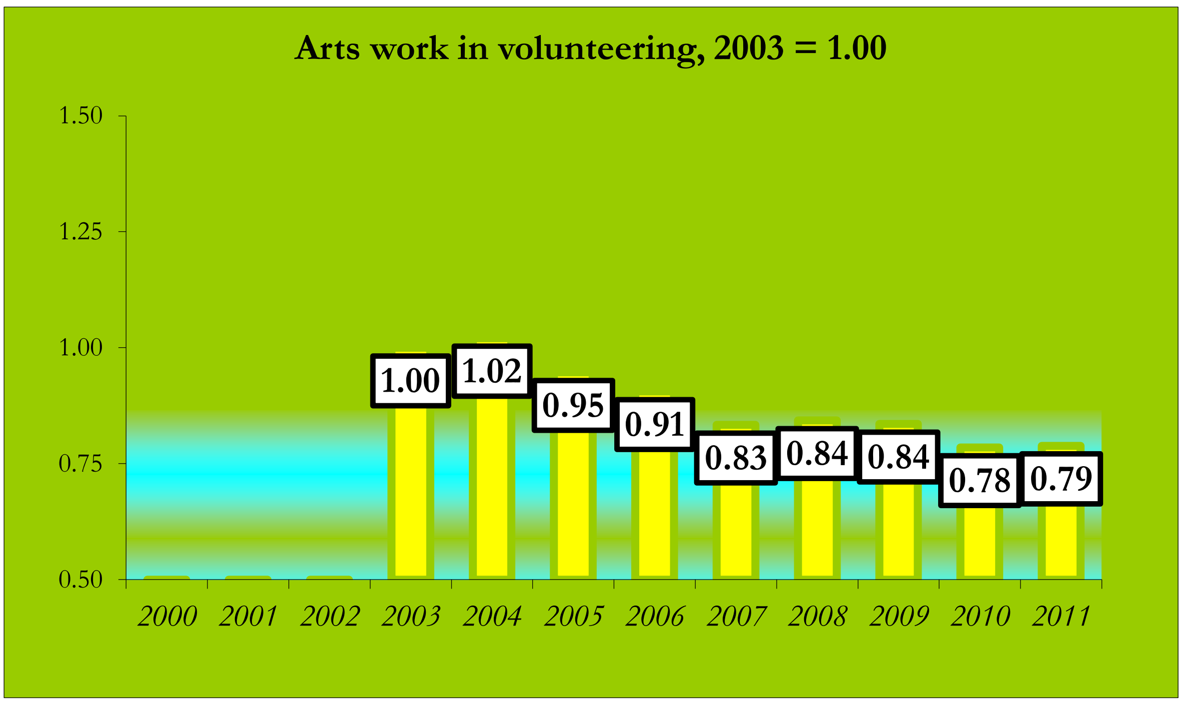


	2000-2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Volunteering for arts & culture organizations (1st)		1,092,554	1,205,615	1,029,455	1,037,312	1,166,473	1,084,873	1,082,362	1,123,554	1,118,061	1,218,238
Volunteering for arts & culture organizations (2nd)		476,682	568,618	595,106	517,735	480,229	503,286	552,077	611,322	473,081	589,821
Volunteering for arts & culture organizations (3rd)		249,940	232,451	236,249	210,708	237,449	278,439	240,973	235,566	229,915	208,270
Volunteering for arts & culture orgs (1st, 2nd, or 3rd)		1,819,176	2,006,684	1,860,810	1,765,755	1,884,151	1,866,598	1,875,412	1,970,442	1,821,057	2,016,329
Indexed to 2003 = 1.00	N/D	0.91	1.00	0.93	0.88	0.94	0.93	0.93	0.98	0.91	1.00

37. ARTS WORK IN VOLUNTEERING (NEW INDICATOR IN 2013)

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 #36 addressed the issue of the kinds 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 worship and community settings, 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. In 2011, an estimated 6.2 million volunteers said that they serve mainly as artists—a figure three times larger than the number of people whose first choices of volunteer organization is in the arts sector. While this number declined since the mid 2000s, more recent figures show a steady level of participation in volunteering in the arts.

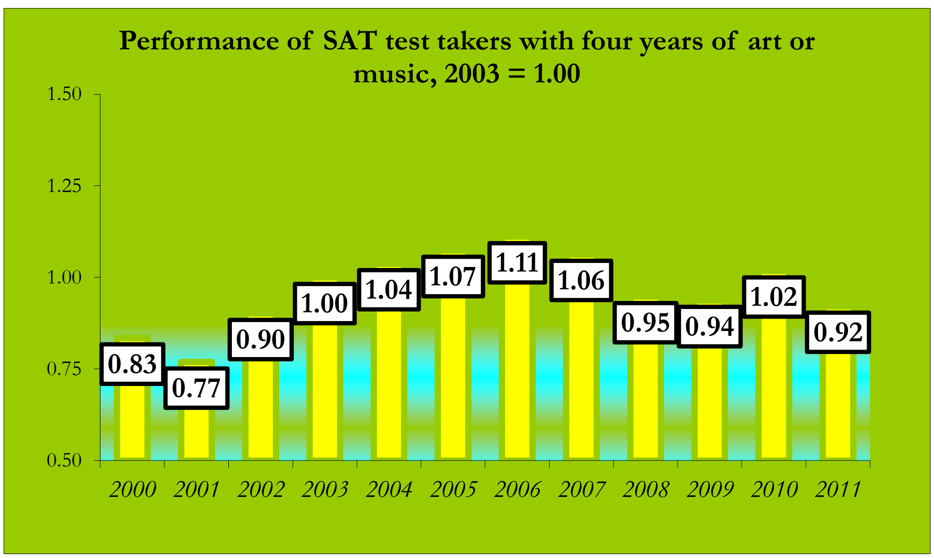


	2000-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Main activity in volunteering is making music or other arts		7,962,301	8,221,227	7,719,562	7,254,702	6,297,928	6,465,794	6,568,119	6,079,760	6,247,037
All volunteers		63,931,052	64,671,178	65,453,796	64,316,872	60,658,132	61,553,491	63,110,139	62,187,861	63,611,534
Arts volunteering as share of all arts activity		12.5%	12.7%	11.8%	11.3%	10.4%	10.5%	10.4%	9.8%	9.8%
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

38. 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 verbal and math for 1998 to 2005 (critical reading and math in 2006 and later), subtracting a minimum score of 400 that is reached by every test taker, and calculating the percent difference between those with four years of arts courses, and all other test takers. This adjusted margin averaged almost nine percent from 2000 to 2008, and rose steadily from 2001 through 2006, and then mainly declined since 2007. These results and trends should be interpreted carefully, and 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. Other factors influencing test scores include the type of school, student socioeconomic status, IQ, and high school coursework. Thus, high school students with multiple years of arts education may not be representative of all college-bound seniors. Without information on within- or between-group variation, it is not possible to draw any inferences about the statistical significance of these margins. The persistence of this margin, which is eight percent at its lowest and has stayed above nine percent for several years, speaks favorably to the worth of a greater arts component in K-12 education.

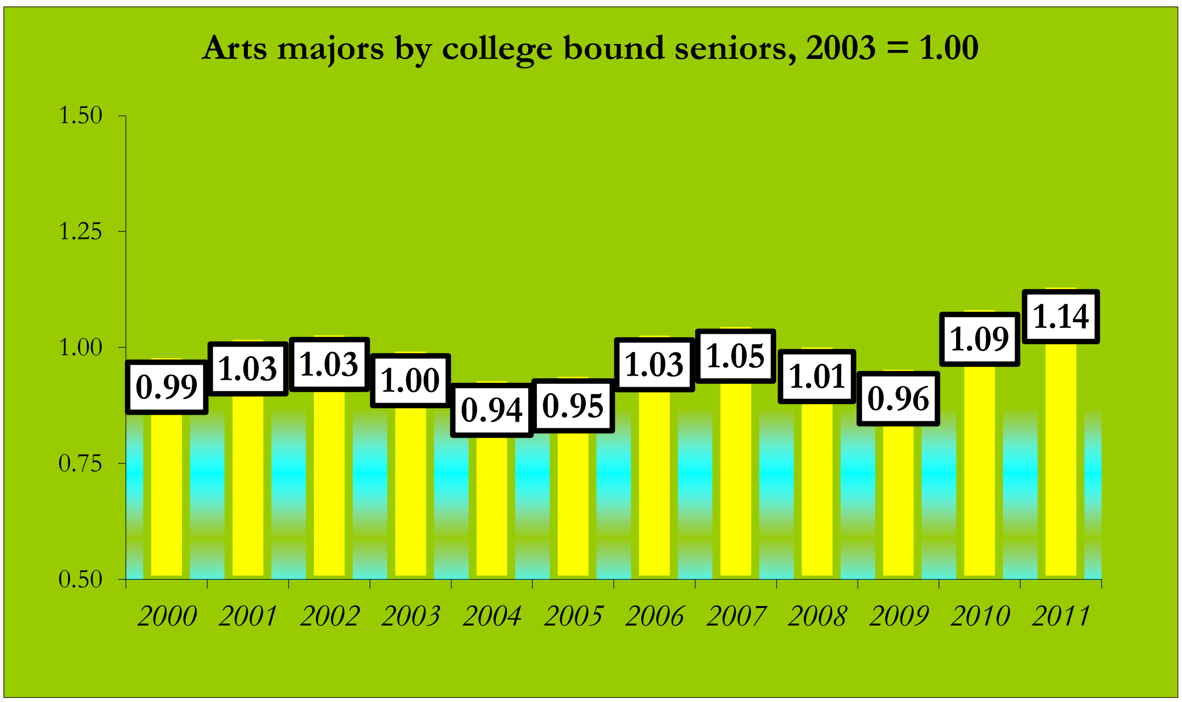


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Mean score of SAT 1 test takers with four years art and/or music	1,068	1,065	1,070	1,075	1,074	1,084	1,083	1,080	1,063	1,070	1,075	1,057
Mean score of all other SAT 1 test takers	1,016	1,017	1,014	1,013	1,010	1,017	1,014	1,014	1,005	1,012	1,012	1,001
Mean score of SAT 1 test takers with four years art and/or music less minimum score	668	665	670	675	674	684	683	680	663	670	675	601
Mean score of all other SAT 1 test takers less minimum score	616	617	614	613	610	617	614	614	605	612	612	601
Performance margin for four years	8.4%	7.8%	9.1%	10.1%	10.5%	10.9%	11.2%	10.7%	9.6%	9.5%	10.3%	9.3%
Indexed to 2003 = 1.00	0.83	0.77	0.90	1.00	1.04	1.07	1.11	1.06	0.95	0.94	1.02	0.92

39. 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 79,000 in 2000 to over 100,000 in 2011, with the share growing to 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 #40).

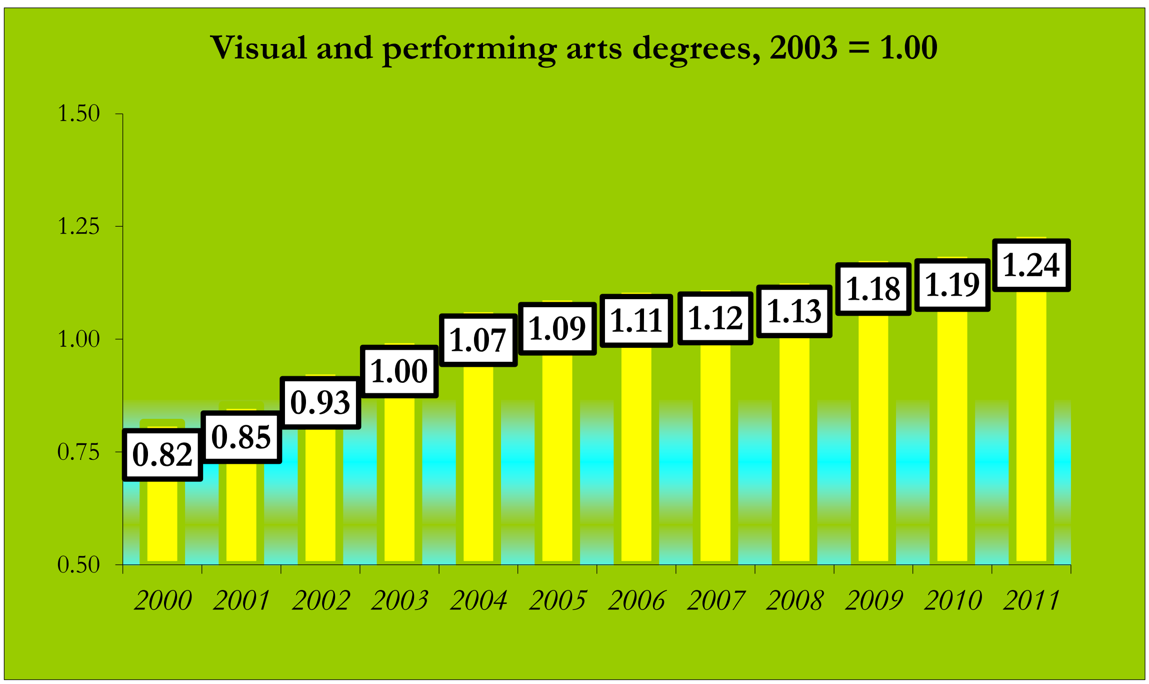


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
SAT test takers declaring a visual or performing arts major	78,736	80,154	79,865	75,823	76,172	84,367	84,828	88,575	81,784	84,946	97,709	105,073
All SAT test takers	1,353,713	1,368,850	1,425,889	1,504,831	1,519,870	1,575,979	1,465,744	1,494,531	1,518,859	1,530,128	1,647,123	1,647,123
Nonrespondents to Student Descriptive Questionnaire	210,875	250,266	321,635	420,014	355,708	299,236	292,105	290,815	358,820	265,355	264,320	325,825
All test takers declaring a major (000)	1,143	1,119	1,104	1,085	1,164	1,277	1,174	1,204	1,160	1,265	1,284	1,321
Visual and performing arts share of intended majors by SAT test takers	6.9%	7.2%	7.2%	7.0%	6.5%	6.6%	7.2%	7.4%	7.1%	6.7%	7.6%	8.0%
Indexed to 2003 = 1.00	0.99	1.03	1.03	1.00	0.94	0.95	1.03	1.05	1.01	0.96	1.09	1.14

40. 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 2000 to 2011, almost 1.4 million degrees were awarded in visual and performing arts, with annual graduations growing steadily from 88,000 to 133,000—an increase of 52 percent. Reasons for this include an increase in design degrees and more double-majors, such as science and music. This is promising news for business leaders looking for an educated and creative workforce.

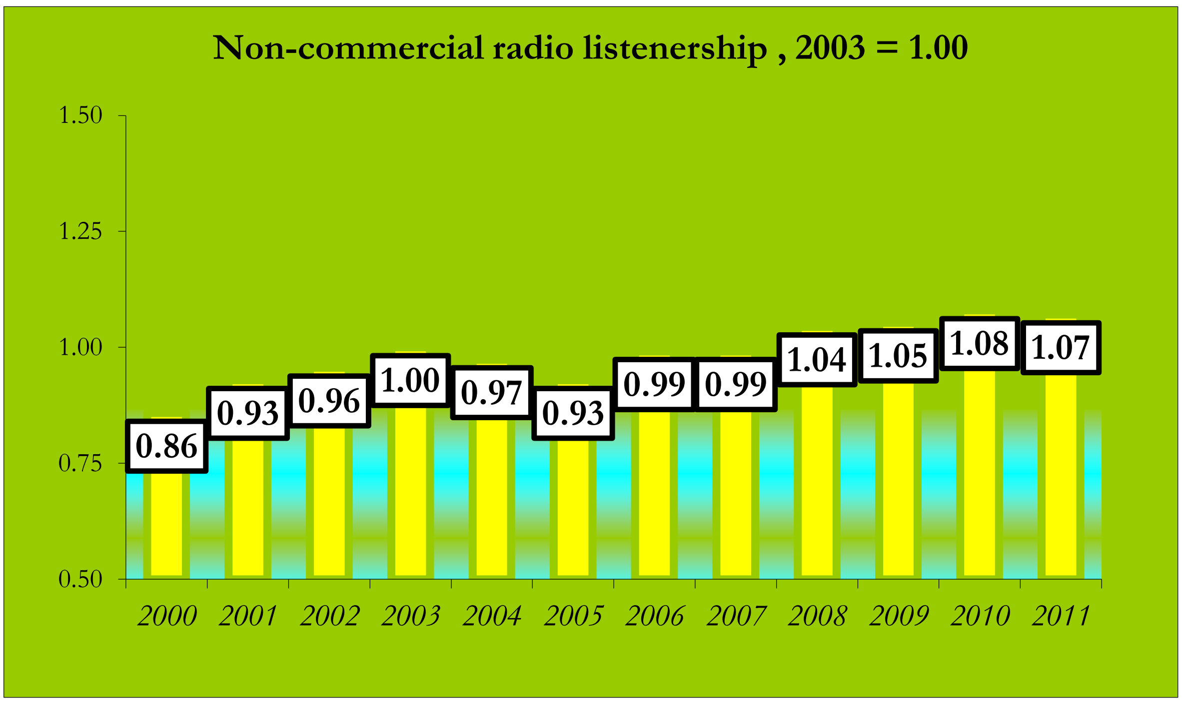


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Visual and performing arts associates degree	17,100	18,435	20,911	23,120	23,949	22,650	21,754	20,244	18,890	18,643	19,703	21,379
Visual and performing arts bachelors degree	58,791	61,148	66,773	71,482	77,181	80,955	83,297	85,186	87,703	93,009	91,802	93,956
Visual and performing arts masters degree	10,918	11,404	11,595	11,982	12,906	13,183	13,530	13,767	14,164	14,986	15,552	16,277
Visual and performing arts doctoral degree	1,127	1,167	1,114	1,293	1,282	1,278	1,383	1,364	1,453	919	1,599	1,646
All visual and performing arts degrees	87,936	92,154	100,393	107,877	115,318	118,066	119,964	120,561	122,210	127,557	128,656	133,258
Indexed to 2003 = 1.00	0.82	0.85	0.93	1.00	1.07	1.09	1.11	1.12	1.13	1.18	1.19	1.24

41. 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 slightly in 2011. Because the population has been growing, this represents a progressively larger listenership.

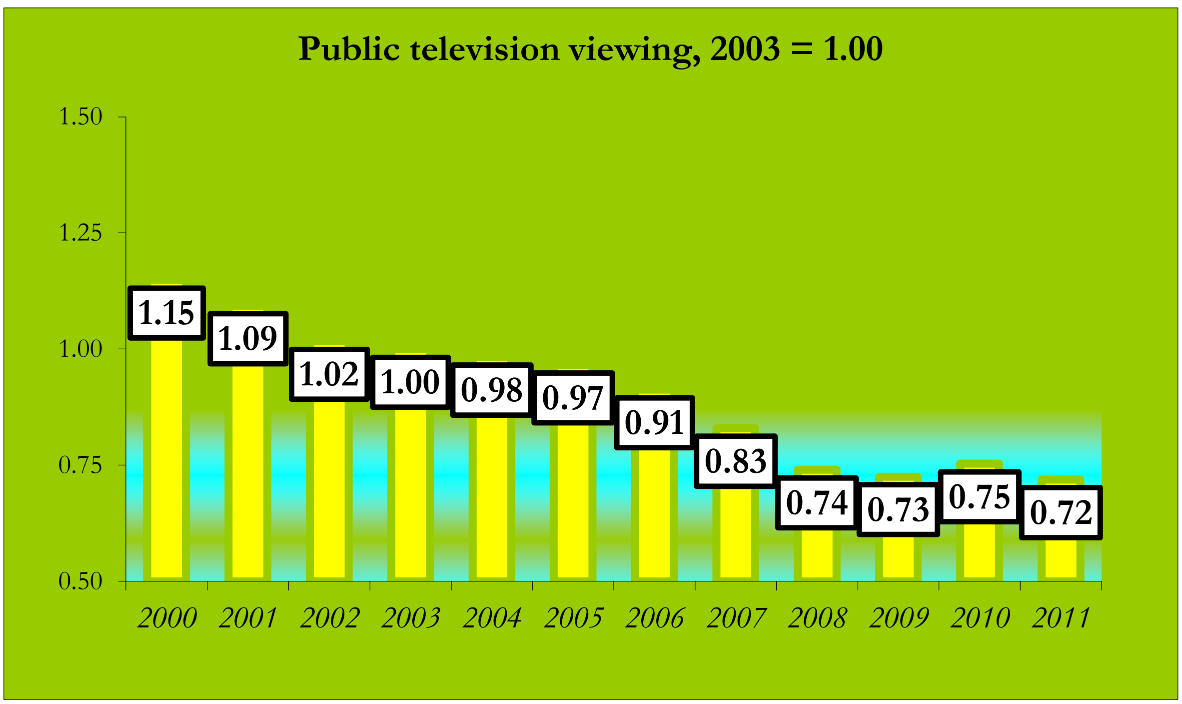


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Share of U.S. Population listening to non-commercial radio	9.7	10.5	10.8	11.3	11.0	10.5	11.2	11.2	11.8	11.9	12.2	12.1
Indexed to 2003 = 1.00	0.86	0.93	0.96	1.00	0.97	0.93	0.99	0.99	1.04	1.05	1.08	1.07

42. 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 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 viewing has declined fairly consistently from 56 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 #41), viewership has leveled off in recent years.

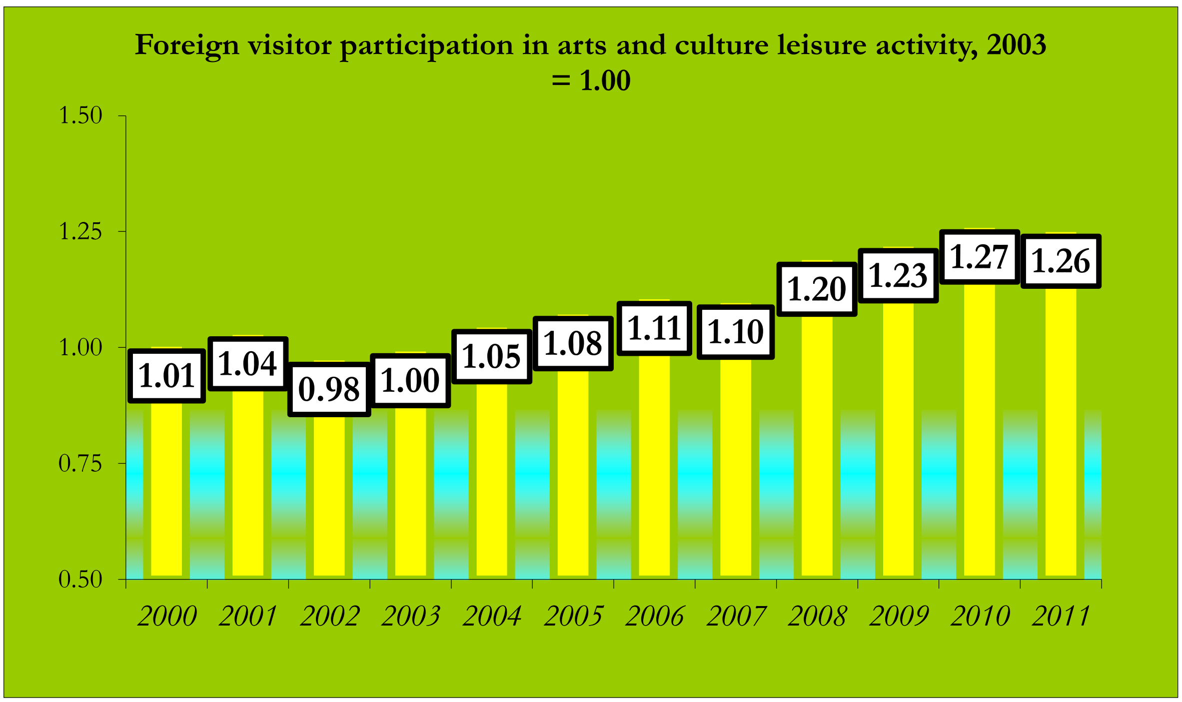


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Household "Cume"	54.0	51.4	47.8	47.0	46.2	45.4	42.9	39.0	34.8	34.1	35.4	33.8
Indexed to 2003 = 1.00	1.15	1.09	1.02	1.00	0.98	0.97	0.91	0.83	0.74	0.73	0.75	0.72

43. 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 in the Department of Commerce. The ITA's monthly Survey of International Air Passengers is conducted on a voluntary basis on in- and out-bound flights to 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 34,000 in 2011. The indicator showed fairly steady growth from 2002 through 2010, dropping slightly in 2011.

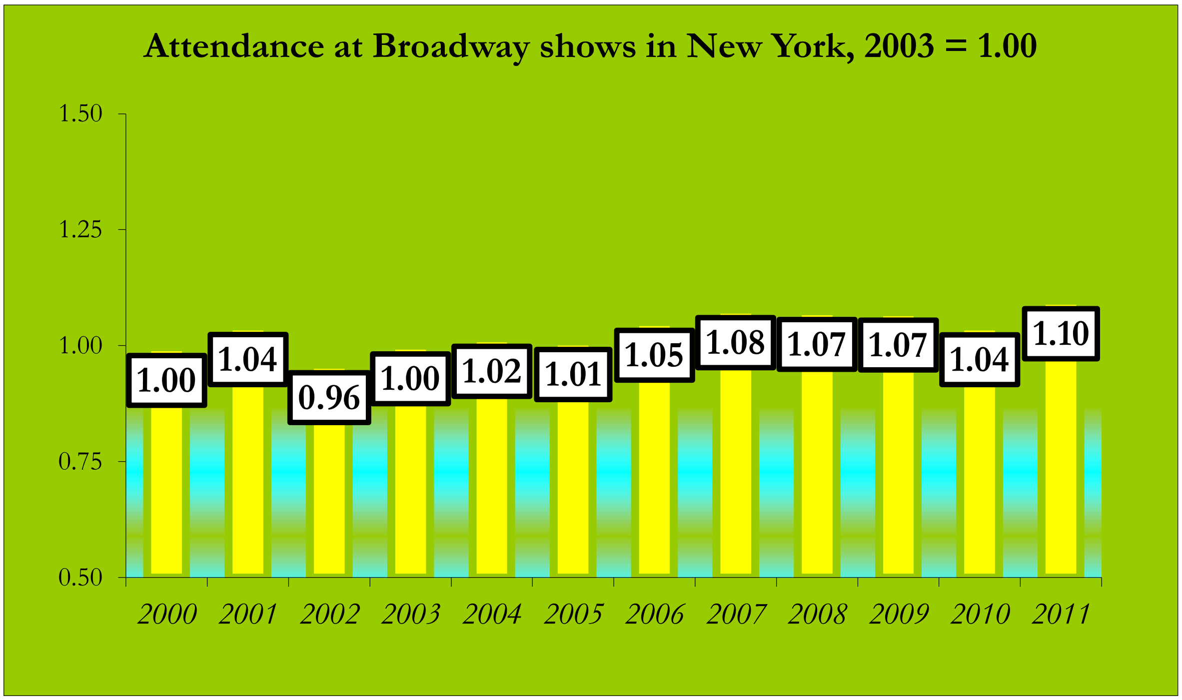


(Percent attending)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Art Gallery/Museum	19.6	19.4	18.1	17.7	18.9	20.2	20.4	21.1	22.3	23.5	24.1	23.5
Concert/Play/Musical	12.7	12.3	12.9	13.7	13.4	14.7	14.5	15.3	16.3	16.8	17.1	16.6
Cultural Heritage Sites	17.8	18.4	17.7	18.1	19.4	18.5	19.9	19.5	22.2	22.7	23.7	24.1
Ethnic Heritage Sites	4.8	4.9	4.6	4.9	4.8	4.5	5.2	4.1	4.3	4.2	4.4	4.4
Visit Am. Indian Comm.	3.7	3.8	3	3.1	3.7	3.3	3.2	2.9	3.4	3.2	3.6	3.5
Visit Historical Places	31.2	33.3	30.9	31.4	33.3	34.8	35.7	35.3	37.9	38.6	39.7	39.7
Cumulative participation by foreign visitors in one more arts and culture leisure activity	89.8	92.1	87.2	88.9	93.5	96	98.9	98.2	106	109	113	106
Indexed to 2003 = 1.00	1.01	1.04	0.98	1	1.05	1.08	1.11	1.1	1.2	1.23	1.27	1.26

44. Attendance at Broadway Shows in New York City

Broadway refers to the theatre district in New York City, 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, using data from the Broadway League (formerly the League of American Theaters and Producers). The indicator illustrates a steady and generally increasing multi-year trend, with attendance in 2011 at a long-term high.

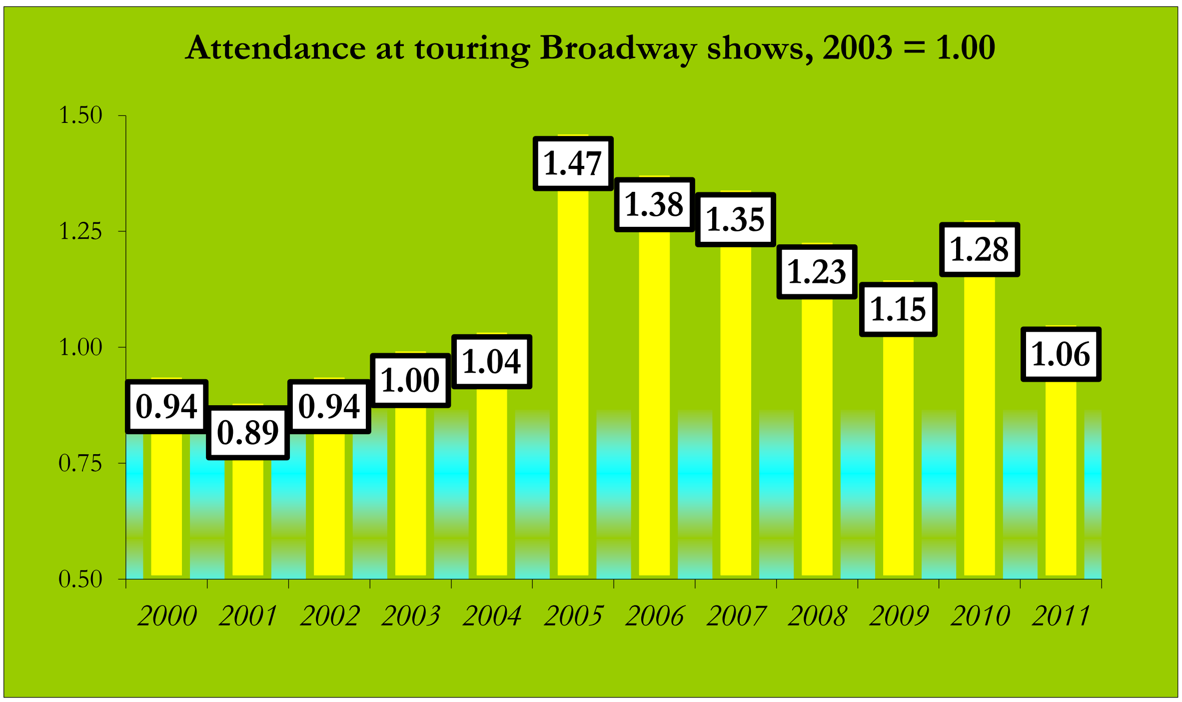


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total Attendance (000)	11,380	11,896	10,955	11,423	11,605	11,527	12,003	12,312	12,267	12,250	11,890	12,530
Indexed to 2003 = 1.00	1.00	1.04	0.96	1.00	1.02	1.01	1.05	1.08	1.07	1.07	1.04	1.10

45. 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 almost all years, more people saw Broadway shows on tour than did in New York—almost twice as many in the mid-90s, but declining to about one quarter more in recent years. While attendance at Broadway shows in New York has remained steady, touring Broadway attracted progressively smaller audiences from 2005 through 2011, with 2010 as an exception. Touring shows attract only about 4.5 percent more attendance across the country than New York shows (see indicator #44).

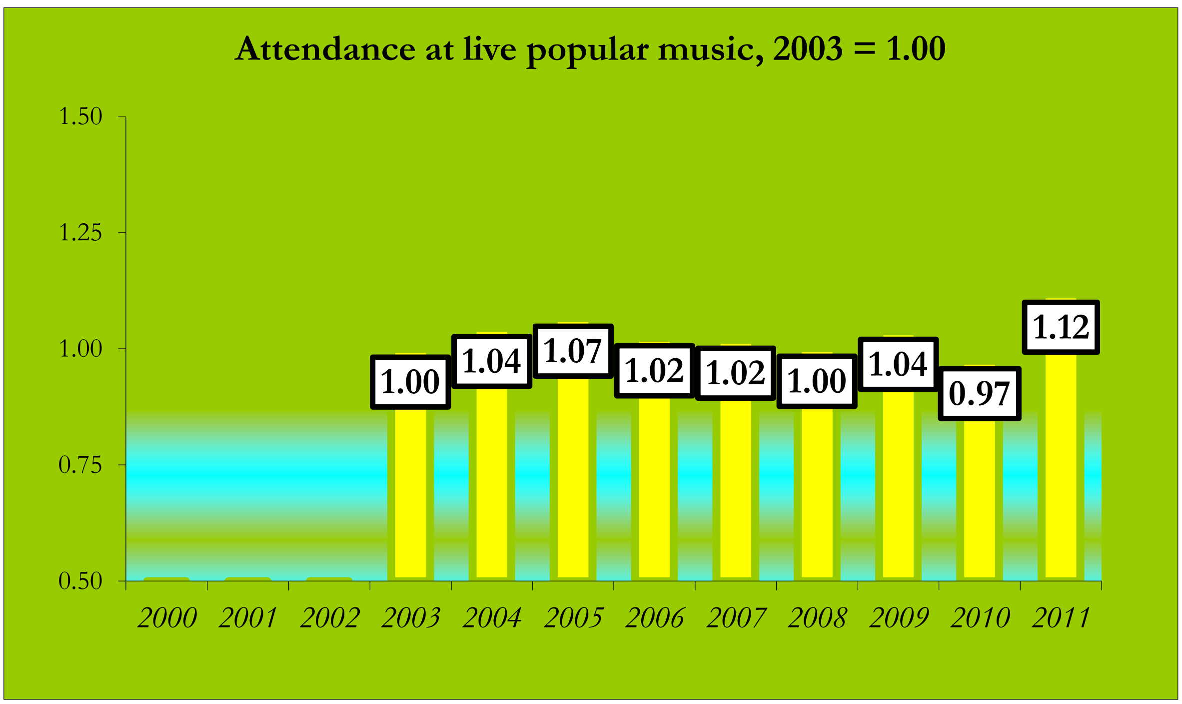


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Tickets sold (millions)	11.7	11.0	11.7	12.4	12.9	18.2	17.1	16.7	15.3	14.3	15.9	13.1
Indexed to 2003 = 1.00	0.94	0.89	0.94	1.00	1.04	1.47	1.38	1.35	1.23	1.15	1.28	1.06

46. 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 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 is about 235 million in 2011, or about 76 percent of total U.S. population. Attendance at these events jumped in the Scarborough report to 55.4 million people, higher than the previous 2005 peak of 51.8 million people, and with increases in all three of the pop music genres suggested. Differences between this indicator and the concert revenue indicator (Indicator #9) based on Pollstar data may be a function of specific time periods covered by each year's dated report, and also of changes in concert ticket prices.

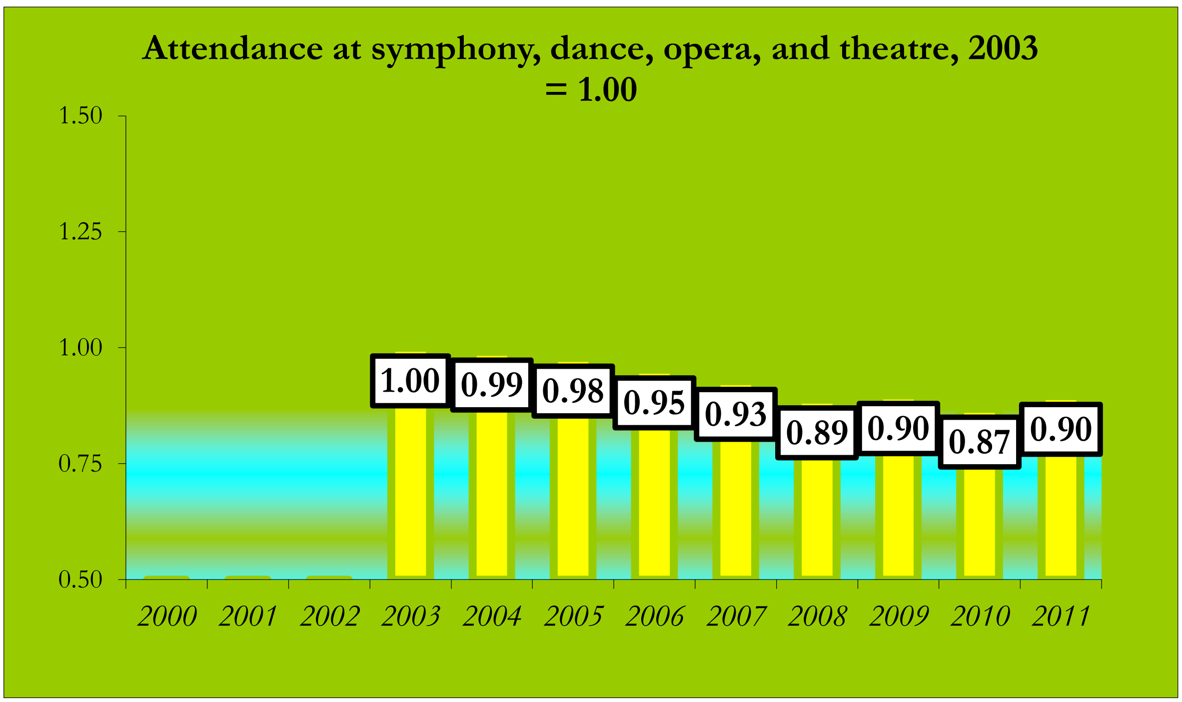


(All figures in 000)	2000-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Country music concert		15,835	16,976	17,424	16,906	17,544	16,658	16,739	14,766	17,339
R&B/rap/hip-hop concert		7,508	7,659	8,122	7,625	7,039	6,938	7,183	6,971	8,363
Rock concert		25,236	26,108	26,271	25,227	24,931	25,062	26,497	25,621	28,598
Total live popular music		48,579	50,742	51,818	49,758	49,513	48,657	50,419	47,358	54,300
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

47. 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 to look 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 as important cultural institutions. Data on adult attendance at events is gathered by Scarborough Research in 81 metropolitan areas that have about 76 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 77.3 million in 2011. Certainly, there is some double counting among all of these measures, as audiences for one genre may well be devotees of others as well—and also attend popular music concerts and visit museums. The continuing long-term downward trend is a cause for attention and concern, though it stabilized in 2011.

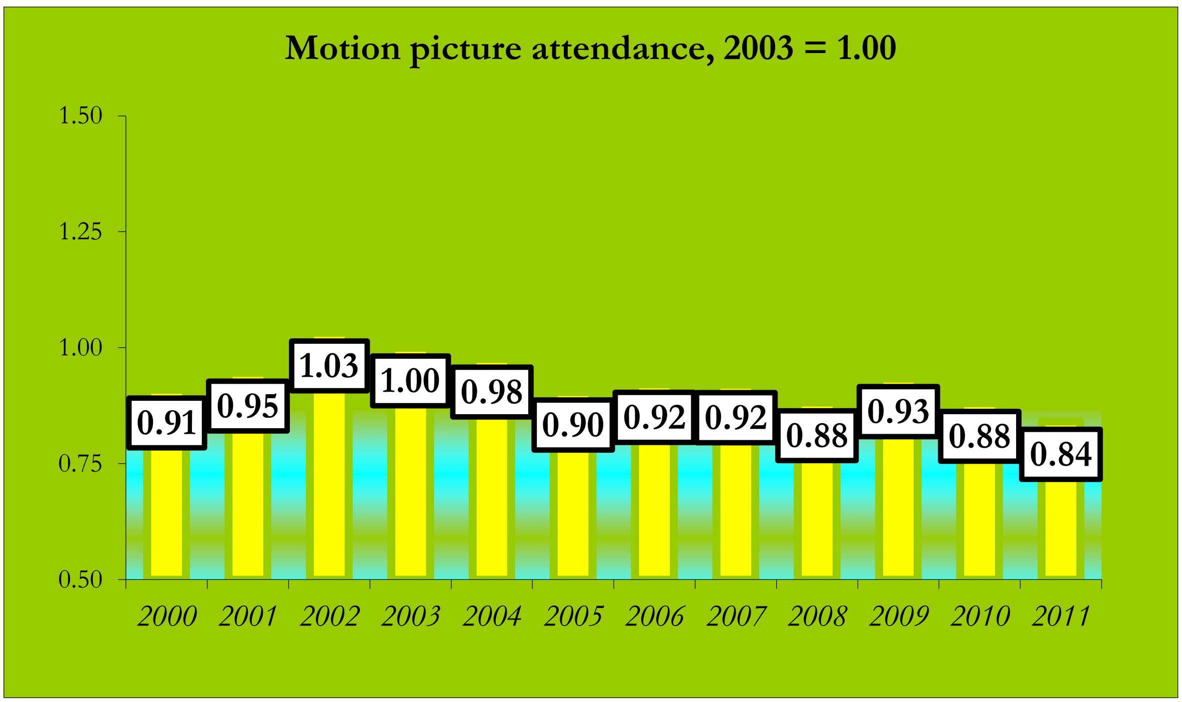


(All figures in 000)	2000-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Dance or ballet performance		15,797	15,153	15,258	14,803	15,114	14,880	15,,233	15,000	14,336
Live theater		50,059	50,292	49,154	48,337	48,099	47,307	46,743	45,569	45,278
Symphony concert, opera, etc.		20,521	20,151	20,063	19,140	16,920	14,492	15,510	14,811	17,719
Surveyed population in 77 metropolitan markets attending symphony, dance, opera, and theatre		86,376	85,596	84,475	82,280	80,134	76,678	77,486	74,980	77,333
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

48. 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 over 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 that rates of change are very close in both countries. Total attendance peaked in 2002, declined until 2005, reached another "peak" in 2009, and then dropped again in 2010 and 2011. Like music purchases, movie attendance is affected by alternatives that consumers can use to access movies.

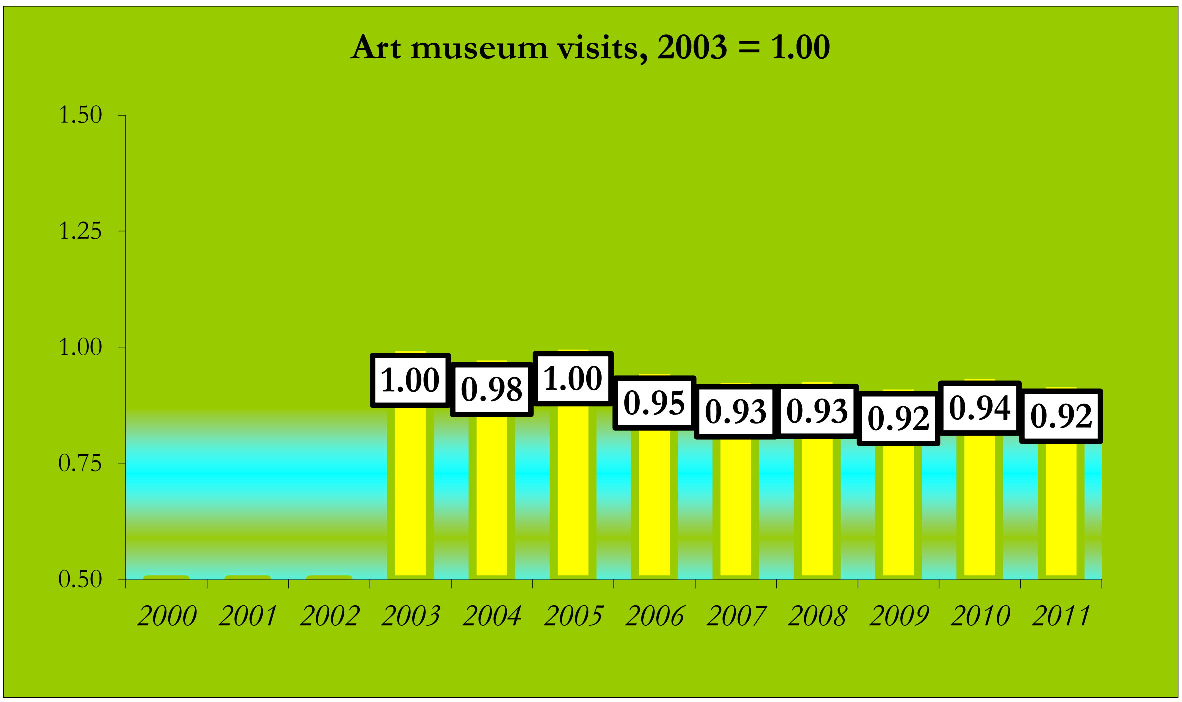


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Motion picture Attendance (billions)	1.383	1.438	1.570	1.521	1.484	1.376	1.401	1.400	1.341	1.414	1.339	1.280
Indexed to 2003 = 1.00	0.91	0.95	1.03	1.00	0.98	0.90	0.92	0.92	0.88	0.93	0.88	0.84

49. 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 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) who visited an art museum one or more times in the prior 12 months. Art museum attendance in metropolitan areas declined from about 33.0 million visitors to 30.5 million between 2003 and 2011. This 7½ percent decrease is compounded by the fact that the U.S. population increased 7½ during the same period (290 million to 312 million).

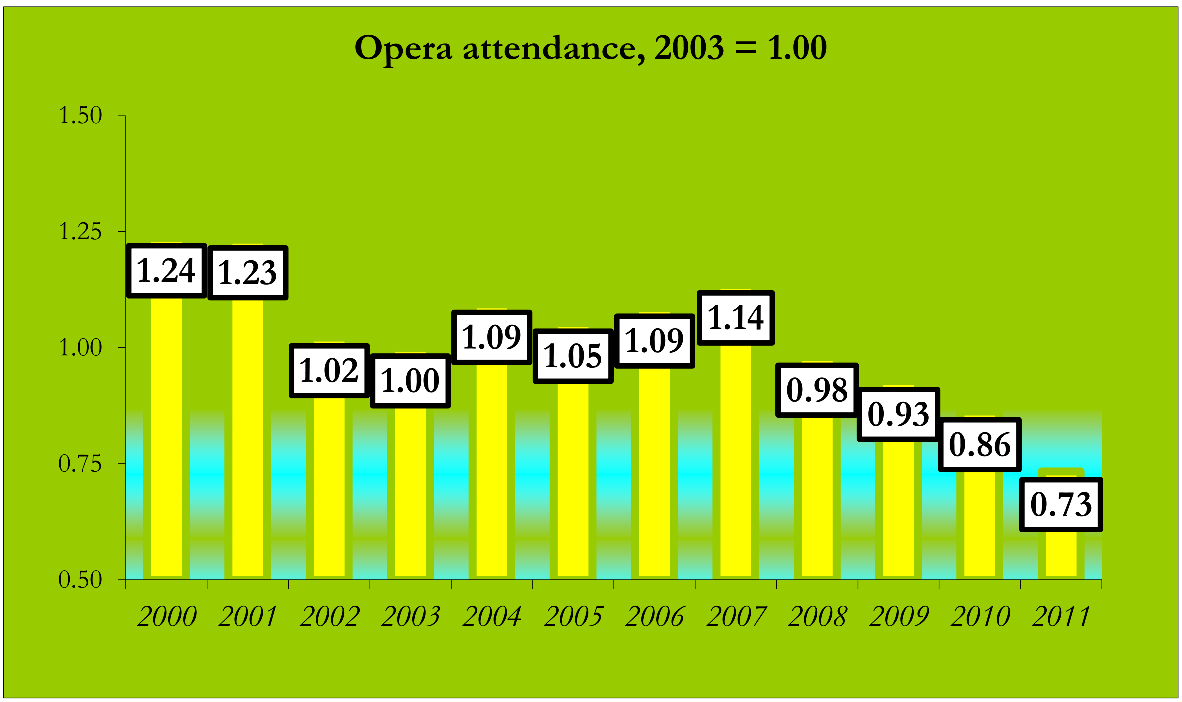


	2000-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Art museum attendance in 77 metropolitan markets		33,070,245	32,412,840	33,190,473	31,448,974	30,828,672	30,862,704	30,333,280	31,090,450	30,505,880
Indexed to 2003 = 1.00	N/D	1.00	0.98	1.00	0.95	0.93	0.93	0.92	0.94	0.92

50. 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 annually. (Supplementary opera data beyond the Survey was used to fill out the reporting for 2011.)

This indicator measures total attendance at main stage season performances by reporting opera companies. From 2000 through 2010, this dropped to 2.3 million from 3.9 million. This refers only to 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. More significantly, these figures do not include the very popular simulcasts of Metropolitan Opera performances, which have welcomed millions more viewers to the opera experience.

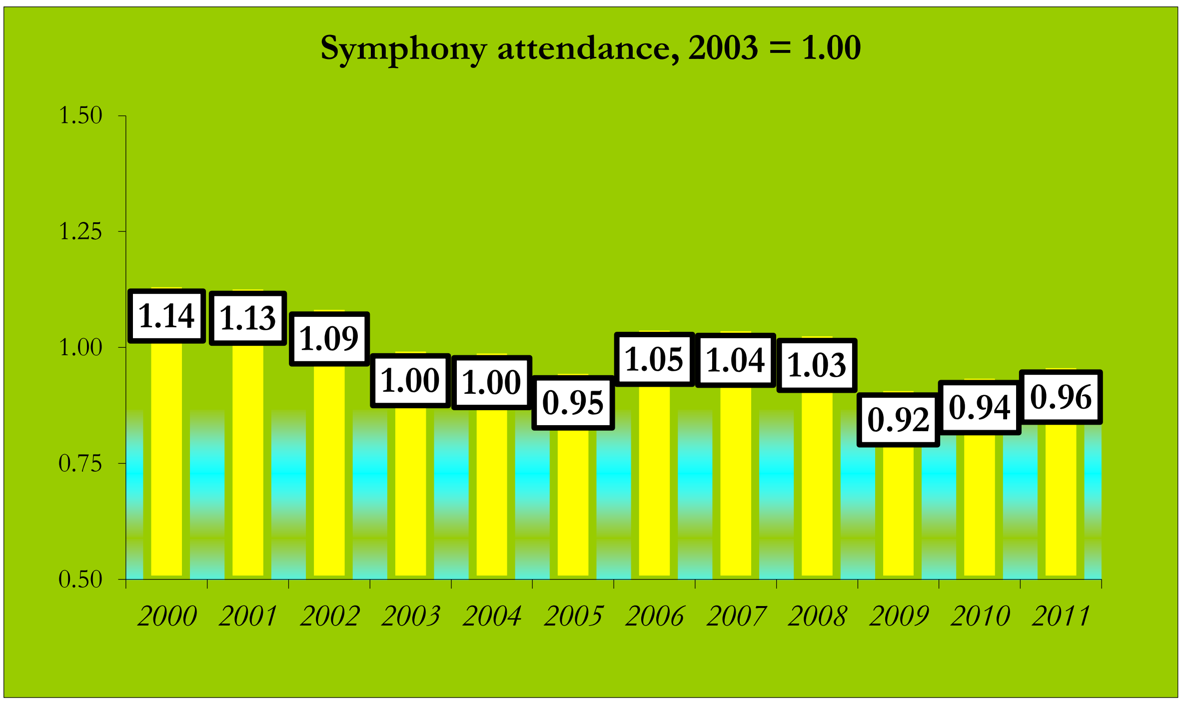


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Professional opera attendance (000)	3,887	3,872	3,211	3,142	3,436	3,309	3,411	3,568	3,078	2,914	2,710	2,304
Indexed to 2003 = 1.00	1.24	1.23	1.02	1.00	1.09	1.05	1.09	1.14	0.98	0.93	0.86	0.73

51. 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 around the country, founded in every time period from the mid-19th 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 197 responding orchestras, the League estimates attendance at all orchestra concerts by extrapolating to the population of symphony orchestras. This indicator reports those extrapolated estimates. While orchestra audiences have declined over time, almost 27 million people experienced their music in 2011, and 2010 and 2011 were both growth years.

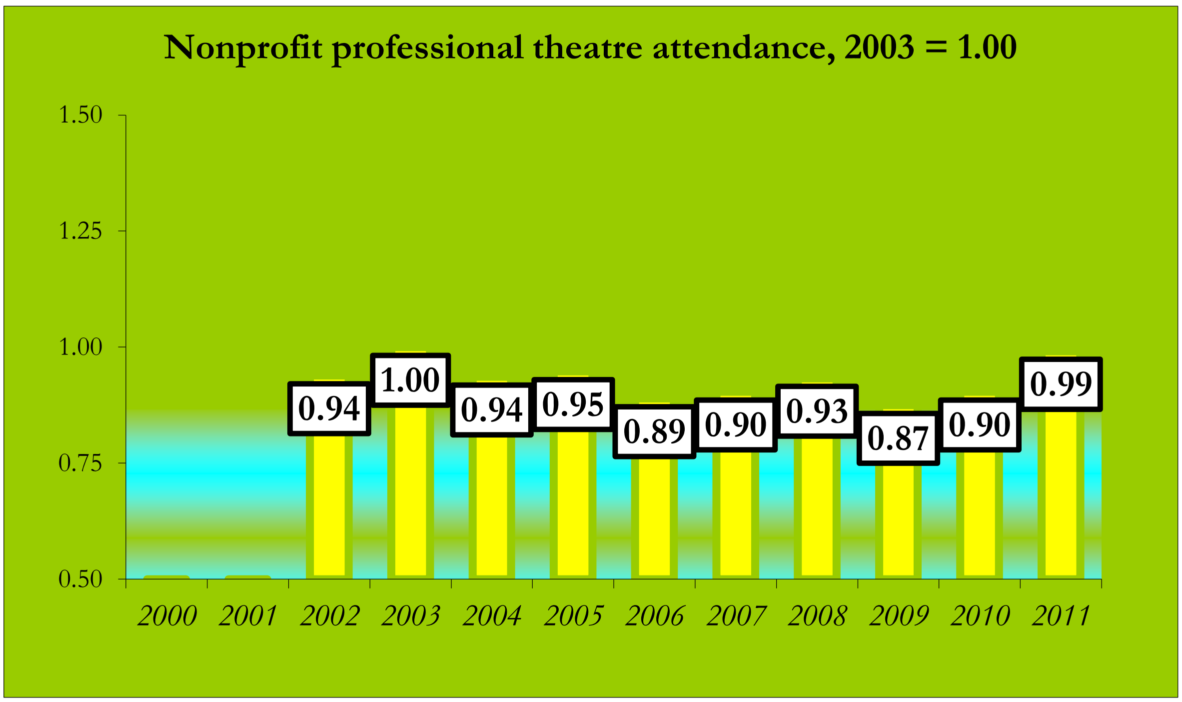


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total symphony performance attendance (000)	31,667	31,533	30,305	27,802	27,683	26,471	29,070	29,016	28,718	25,443	26,183	26,812
Indexed to 2003 = 1.00	1.14	1.13	1.09	1.00	1.00	0.95	1.05	1.04	1.03	0.92	0.94	0.96

52. 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. Total attendance has ranged from 30 million to 34 million. 2009 was at the low end of the range, but attendance in 2010 and 2011 rebounded to levels closer to the 2003 peak.



	2000-2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
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
Indexed to 2003 = 1.00	N/D	0.94	1.00	0.94	0.95	0.89	0.90	0.93	0.87	0.90	0.99

Chapter 6. Competitiveness Indicators

There are 26 *Competitiveness* indicators for 2011 that illustrate 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. But these Competitiveness indicators have more of a systemic and societal orientation, showing the arts in their broader ecological settings.

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

Table 8. Competitiveness Indicators

53.	Arts and culture share of private giving
54.	Share of metropolitan households contributing to arts and culture (new indicator)
55.	Arts and culture share of personal expenditures
56.	Visual and performing arts share of all degrees
57.	Share of employees in arts and culture industries
58.	Share of workers in arts and culture occupations
59.	Share of payroll in arts and culture industries
60.	Share of SAT I test takers with four years of art or music
61.	Share of establishments in arts and culture industries
62.	Arts and culture share of foundation funding
63.	Arts and culture share of corporate funding
64.	Federal government arts and culture funding per capita
65.	Arts and culture share of federal domestic discretionary spending
66.	State arts agency funding per capita
67.	State arts agency share of state general fund expenditures
68.	Population share attending Broadway shows in New York City or on tour
69.	Population share attending live popular music
70.	Population share attending symphony, dance, opera, and theatre
71.	Population share visiting art museums
72.	Population share attending opera
73.	Population share attending symphony
74.	Population share attending nonprofit professional theatre
75.	Year-end value of the Mei Moses® All Art index
76.	U.S. share of world creative goods trade
77.	Return on assets of arts businesses
78.	Share of nonprofit arts organizations with end-of-year surplus

Table 9. Competitiveness Indicators Per Year

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
16	17	21	26	26	26	26	26	26	26	26	26

Cumulatively, these 26 indicators result in the following 12-year trend in competitiveness of arts and culture:

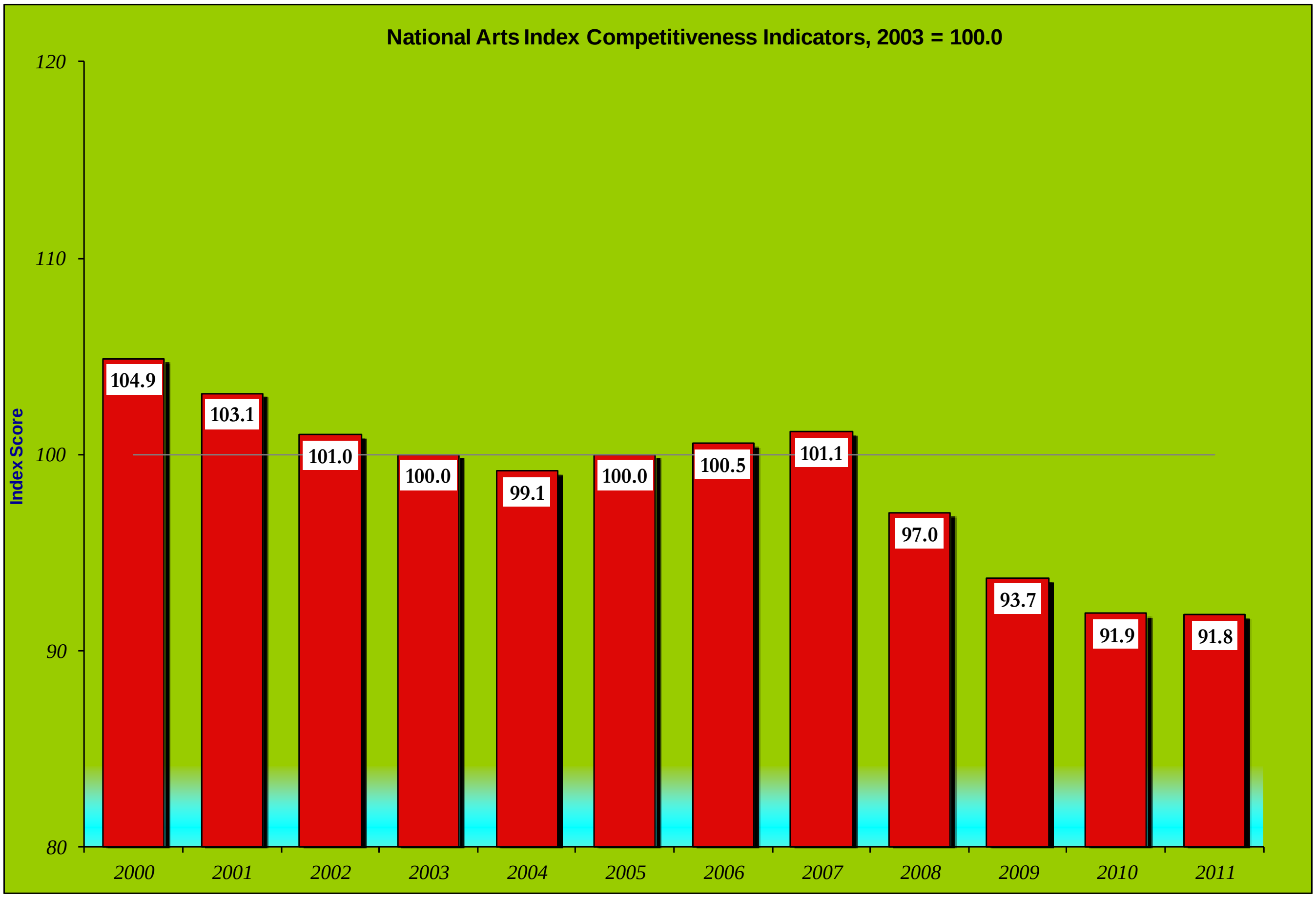


FIGURE G. NATIONAL ARTS INDEX COMPETITIVENESS INDICATORS (2003 = 100.0)

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 funding by institutions. 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 all the time. 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 an a *per capita* basis to approximate the impact on each citizen.

Compared to the last two National Arts Index reports, this year's tally shows a neutral view of arts competitiveness compared to the last years of the 2000s. The overall trend in these Competitiveness indicators is in parallel to, but less vigorous than, the trend for Arts Participation indicators. 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 sectors.

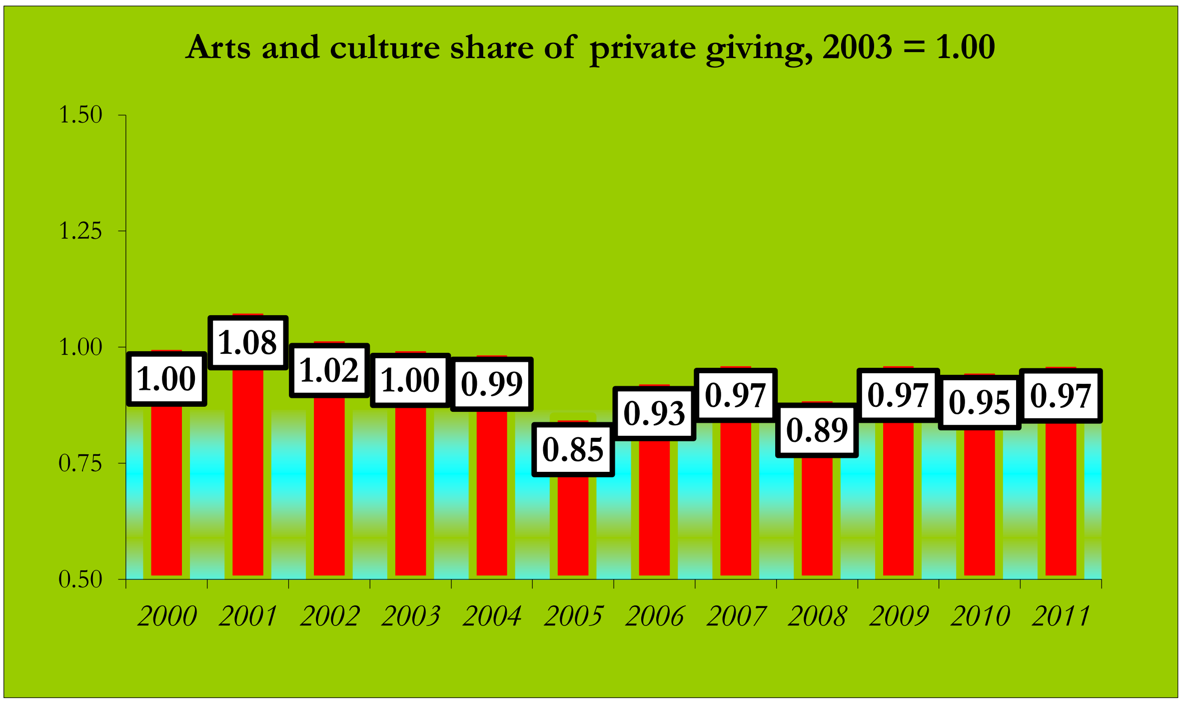
In past years, we saw the cumulative evidence of indicators in this dimension showing the arts becoming less competitive. We were concerned that this decline threatens the vitality of the arts, just as increased participation fuels its future. We take cheerful note, then, that these competitiveness measures have at least stabilized in 2011.

The individual indicators described in the following 26 pages provide additional detail on the competitiveness of arts and culture from 2000 to 2011. Cumulatively, they result in a Competitiveness score of 91.8 for 2011.

53. Arts and Culture Share of Private Giving

Nonprofit arts organizations seeking philanthropic support have to compete with other nonprofit industries that depend on private giving. 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*. This share averaged 4.4 percent over the whole eleven-year span. Declines in private sector giving reported for 2008 climbed back for 2009, 2010, and 2011. The "market share" of arts and culture in the overall philanthropy market in the 2000s progressively declined, especially compared to the late 1990s. In some years, even when arts dollars have increased, the share of private sector giving to the arts has decreased.

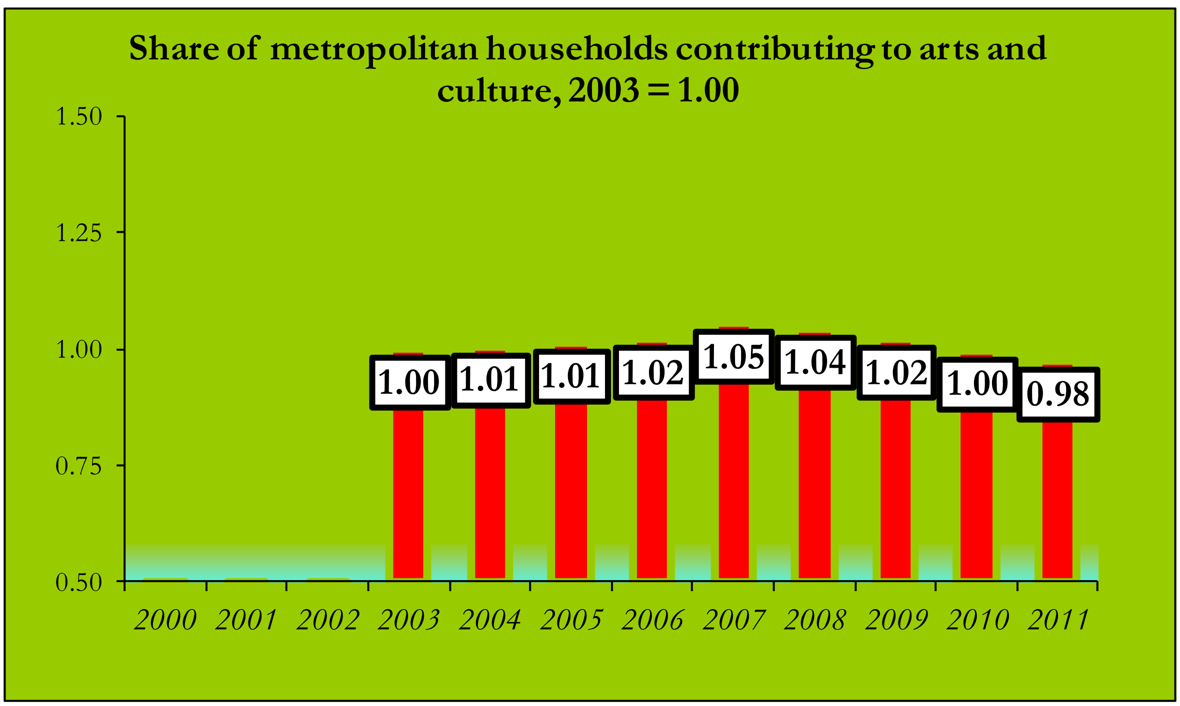


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total private philanthropy ($B)	229.71	232.04	233.11	238.06	261.2	294.05	296.21	310.57	315.08	280.3	290.89	298.42
Private arts philanthropy ($B)	10.48	11.41	10.83	10.83	11.78	11.38	12.51	13.67	12.79	12.34	12.6	13.12
Arts philanthropy as a share of total philanthropy	4.6%	4.9%	4.6%	4.5%	4.5%	3.9%	4.2%	4.4%	4.1%	4.4%	4.3%	4.4%
Indexed to 2003 = 1.00	1.00	1.08	1.02	1.00	0.99	0.85	0.93	0.97	0.89	0.97	0.95	0.97

54. Share of Metropolitan Households Contributing to Arts and Culture (New Indicator)

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 77 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 77 markets it studies is about 235 million in 2011, 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 2011, years where Scarborough has made its measures of household giving, the share declined from 9.3 percent to 8.6 percent.



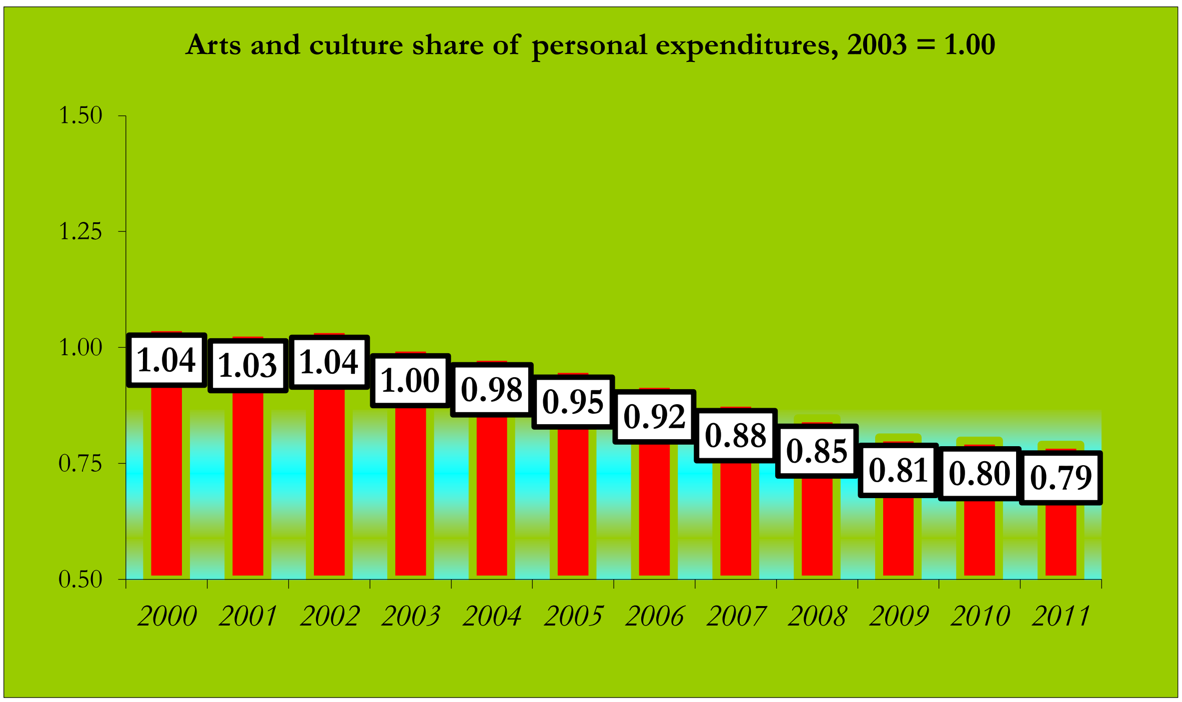
	2000-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Share of metropolitan households contributing to arts and culture		8.8%*	8.9%*	8.9%*	9.0%	9.3%	9.2%	9.0%	8.8%	8.6%
Indexed to 2003 = 1.00	N/D	1.00	1.01	1.01	1.02	1.05	1.04	1.02	1.00	0.98

* Estimated

55. Arts and Culture Share of Personal Expenditures

In the U.S. economy, personal and household consumer spending represents about two-thirds of total activity, a proportion that has stood up well over time. 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 those 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 $6.8 trillion to $10.7 trillion between 2000 and 2010. Over the same decade, arts and culture consumption grew from $129 billion to $153 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 is in a decade-long slide from 1.89 percent to 1.43 percent of personal spending

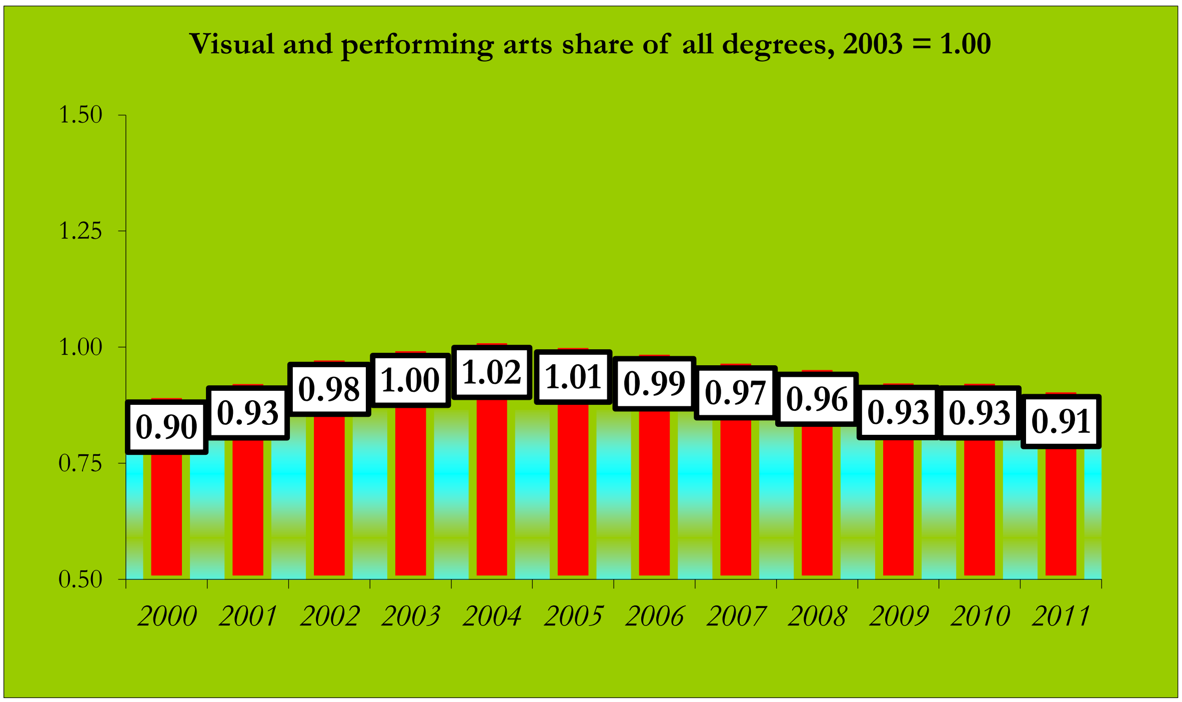


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
All personal consumption expenditures ($B)	6,830	7,149	7,439	7,804	8,271	8,804	9,301	9,772	10,035	9,866	10,246	10,726
Total selected arts and culture expenditures ($B)	129.0	133.5	139.9	141.2	146.7	151.9	155.1	155.8	153.9	143.9	148.2	153.4
Arts and culture expenditures as percentage of total	1.89%	1.87%	1.88%	1.81%	1.80%	1.73%	1.67%	1.59%	1.53%	1.46%	1.45%	1.43%
Indexed to 2003 = 1.00	1.04	1.03	1.04	1.00	0.98	0.95	0.92	0.88	0.85	0.81	0.80	0.79

56. Visual and Performing Arts Share of All Degrees

In total, more than 32 million degrees, from associates to doctoral level, were conferred between 1999 and 2010. 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.

This indicator measures the share of those degrees that were in visual and performing arts. This indicator 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 2011, visual and performing arts degrees numbered over 133,000 and comprised 3.9 percent of all degrees.

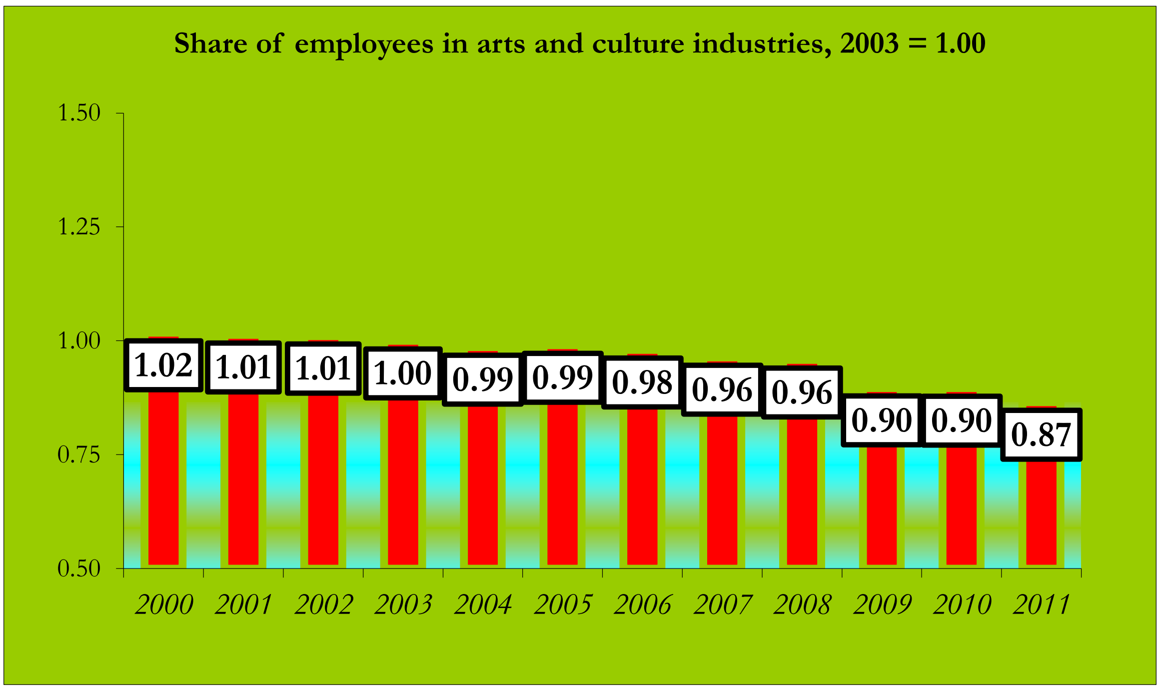


("VPA" = Visual & performing arts)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
VPA associates degree	17,100	18,435	20,911	23,120	23,949	22,650	21,754	20,244	18,890	18,643	19,703	21,379
All associate degrees	564,933	578,865	595,133	634,016	665,301	696,660	713,066	728,114	750,164	794,455	857,595	942,327
VPA bachelors degree	58,791	61,148	66,773	71,474	77,181	80,955	83,297	85,186	87,703	93,009	91,802	93,956
All bachelor's degrees (000)	1,238	1,244	1,292	1,349	1,400	1,439	1,485	1,524	1,563	1,698	1,650	1,716
VPA masters degree	10,918	11,404	11,595	11,986	12,906	13,183	13,530	13,676	14,164	14,986	15,552	16,277
All masters degrees	457,056	468,476	482,118	513,339	558,940	574,618	594,065	604,607	625,023	669,545	693,025	730,635
VPA doctoral degree	1,127	1,167	1,114	1,293	1,282	1,278	1,383	1,364	1,453	919	1,599	1,646
All doctoral degrees	44,808	44,904	44,160	46,042	48,378	52,631	56,067	60,616	63,712	37,315	57,405	57,405
All VPA degrees	87,936	92,154	100,393	107,873	115,318	118,066	119,964	120,470	122,210	127,557	128,656	133,258
All degrees	2,304,672	2,336,416	2,413,311	2,542,208	2,672,161	2,763,173	2,848,440	2,917,429	3,001,968	3,229,539	3,199,138	3,446,280
Associate VPA share	3.0%	3.2%	3.5%	3.6%	3.6%	3.3%	3.1%	2.8%	2.5%	2.3%	2.3%	2.3%
Bachelors VPA share	4.7%	4.9%	5.2%	5.3%	5.5%	5.6%	5.6%	5.6%	5.6%	5.5%	5.6%	5.4%
Masters VPA share	2.4%	2.4%	2.4%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.2%	2.2%	2.2%
Doctoral VPA share	2.5%	2.6%	2.5%	2.8%	2.6%	2.4%	2.5%	2.3%	2.3%	2.5%	2.8%	2.9%
Total VPA share of degrees	3.8%	3.9%	4.2%	4.2%	4.3%	4.3%	4.2%	4.1%	4.1%	4.0%	4.0%	3.9%
Indexed to 2003 = 1.00	0.90	0.93	0.98	1.00	1.02	1.01	0.99	0.97	0.96	0.93	0.95	0.91

57. SHARE OF EMPLOYEES IN ARTS AND CULTURE INDUSTRIES

In a dynamic economy, the total number of workers change as people enter and exit the labor force. As the labor force grows and contracts, some industries will tend to 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 rate of growth is inconsistent and even becomes negative in times of poor economic performance. The overall economy in 2007-10 was particularly tumultuous for the 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 1.7 percent and 1.8 percent of total employees, though has been in a gradual downward trajectory since 2000. From 2009 through 2011, 1.6 percent of employees worked in arts and culture industries.



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Employees in all NAICS industries (000)	114,065	115,061	112,400	113,398	115,075	116,317	119,917	120,604	120,904	120,604	111,970	113,426
Employees in arts-related NAICS industries (000)	2,100	2,109	2,055	2,052	2,053	2,084	2,126	2,103	2,095	1,956	1,815	1,776
Arts share of employees	1.84%	1.83%	1.83%	1.81%	1.78%	1.79%	1.77%	1.47%	1.73%	1.62%	1.62%	1.57%
Indexed to 2003 = 1.00	1.02	1.01	1.01	1.00	0.99	0.99	0.98	0.96	0.96	0.90	0.90	0.87

58. Share of Workers in Arts and Culture Occupations

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. This measure would be the share of all workers who are in artistic occupations. The same BLS data that describe occupations of workers can be used to make this comparison.

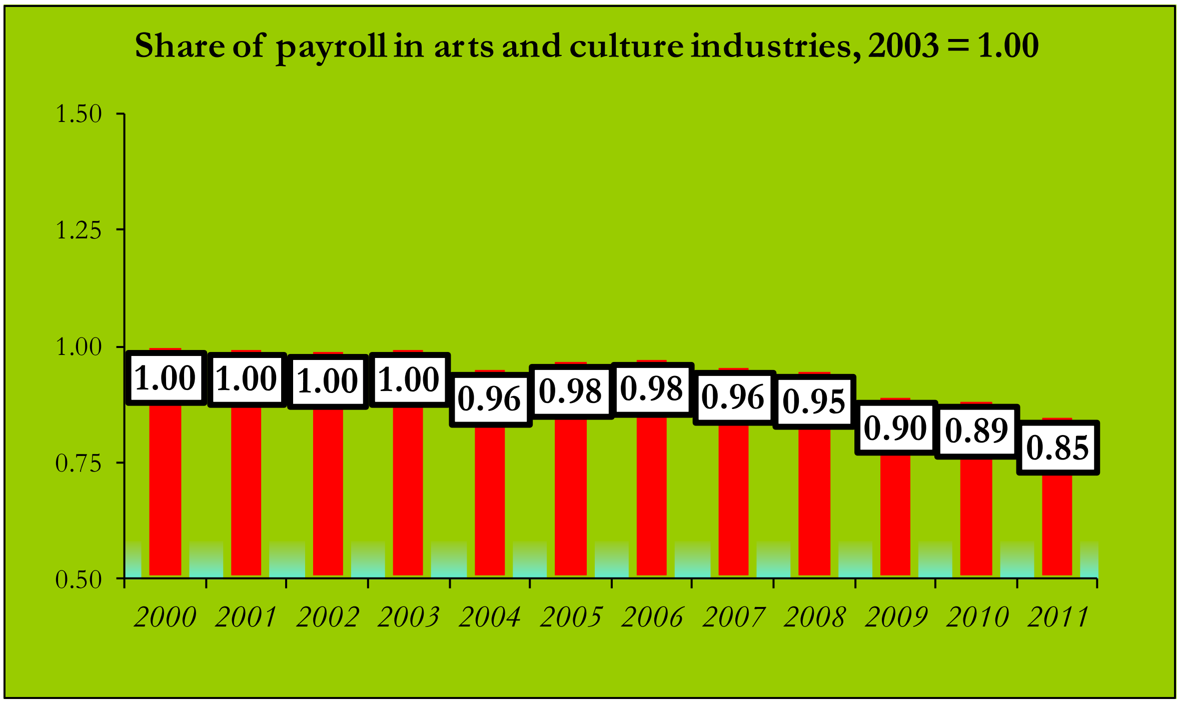
This indicator measures the share of workers in all 45 occupations classified in the Standard Occupational Code system who have arts and culture occupations (See Appendix B). The long term trend seems to be that these workers have an increasing share of total work, growing 30 percent between 1999 and 2009 (an amount just over 1 percent of all workers). While the percentage decreased in 2010, it remains above pre-2009 levels. Over the ten year span, there was practically no change in workers in all occupations, but a 30 percent increase in workers in arts occupations. A change in measurement systems to identify occupations more precisely accounts for part of the increased number of workers in arts and culture occupations after 2003.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Workers in all occupations (000)	127,274	127,980	127,524	127,568	128,127	130,308	132,605	134,354	135,185	130,648	127,097	128,279
Workers in 45 arts occupations (000)	1,356	1,407	1,401	1,438	1,564	1,566	1,591	1,652	1,661	1,686	1,576	1, 569
Arts share of workers	1.07%	1.10%	1.10%	1.13%	1.22%	1.20%	1.20%	1.23%	1.23%	1.29%	1.24%	1.20%
Indexed to 2003 = 1.00	0.95	0.98	0.97	1.00	1.08	1.07	1.06	1.09	1.09	1.15	1.10	1.09

59. Share of Payroll in Arts and Culture Industries

Absolute payroll dollars give a sense of scale, but not of their impact in the overall economy. To put payroll numbers into a relative scale, they should 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 1.91 percent of payroll in all industries in 2006, but has dropped steadily since then to 1.66 percent in 2011. The arts share of payroll in all industries is larger than the arts share of employees in all industries, additional evidence that, while competition for arts employment is fierce, workers in arts industries earn a premium over workers in other industries.

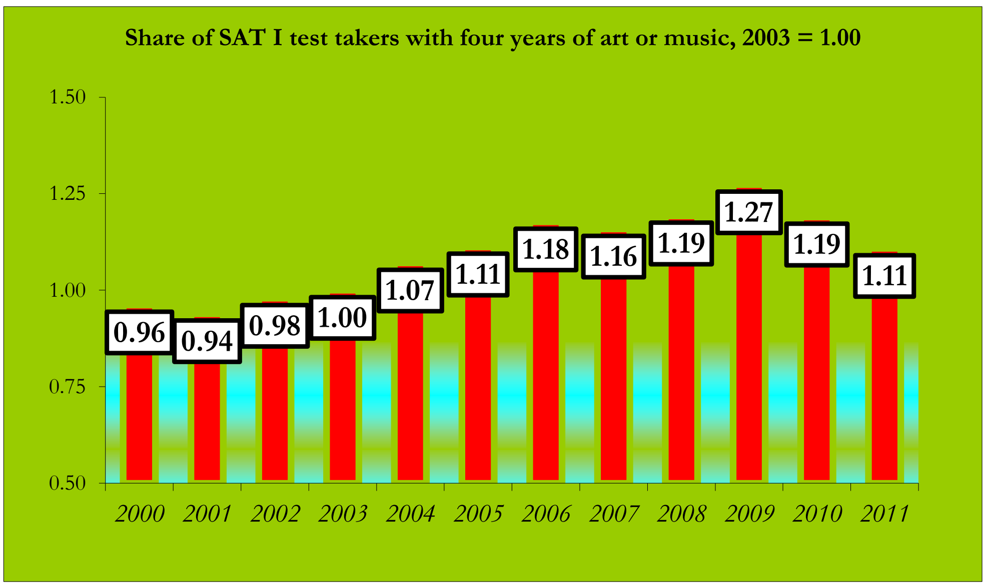


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Annual payroll in all NAICS industries ($M)	3,879	3,989	3,943	4,041	4,254	4,483	4,793	5,027	5,131	5,027	4,941	5,165
Annual payroll in arts-related NAICS industries ($M)	75,815	77,866	76,583	78,722	79,481	85,167	91,574	94,302	95,239	87,706	85,683	85,887
Arts share of payroll	1.95%	1.95%	1.94%	1.95%	1.87%	1.90%	1.91%	1.88%	1.86%	1.74%	1.73%	1.66%
Indexed to 2003 = 1.00	1.00	1.00	1.00	1.00	0.96	0.98	0.98	0.96	0.95	0.90	0.89	0.85

60. 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 being 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 declining rapidly since then. These may be illustrating the impacts of reduced arts education in public and some private schools on college-bound seniors' preparation.

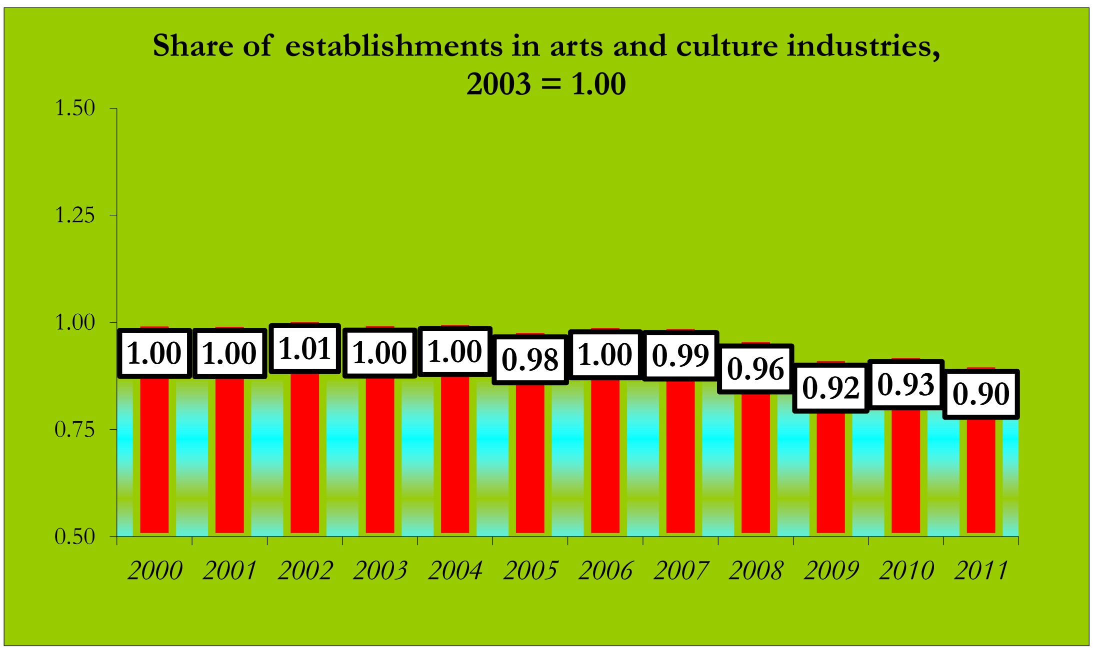


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Students with SAT 1 Scores	1,260,278	1,276,320	1,327,831	1,402,324	1,419,007	1,502,623	1,465,744	1,494,531	1,518,859	1,530,128	1,547,990	1,647,123
Nonrespondents to questionnaire	210,875	250,266	321,635	420,014	355,708	299,236	292,105	290,815	358,820	265,355	264,320	325,825
SAT test takers with more than 4 years of art or music	92,260	93,535	82,151	72,892	66,604	66,391	60,672	61,851	58,647	63,211	87,857	109,589
SAT test takers with 4 years of art or music	160,305	153,040	156,470	156,012	180,813	212,535	219,380	221,509	219,705	255,744	242,564	232,553
SAT test takers with three years of art or music	122,882	122,882	118,596	116,890	124,662	135,116	136,059	143,180	142,841	169,767	169,760	173,726
SAT test takers with 2 years of art or music	176,183	175,818	177,813	176,403	195,854	220,644	218,816	225,460	227,788	269,190	270,096	276,130
SAT test takers with 1 year of art or music	283,357	276,028	273,148	272,238	297,924	327,658	327,202	338,727	321,390	321,979	317,607	324,420
SAT1 test takers with one-half year or less of arts or music	215,427	204,751	198,018	187,875	197,442	241,043	211,510	212,989	189,668	184,882	195,876	204,610
Share of responding test takers with 4 years of art or music	15.3%	14.9%	15.6%	15.9%	17.0%	17.7%	18.7%	18.4%	18.9%	20.2%	18.9%	17.6%
Indexed to 2003 = 1.00	0.96	0.94	0.98	1.00	1.07	1.11	1.18	1.16	1.19	1.27	1.19	1.11

61. 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. 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 2008-11 shows some of the impact of the recession on the arts' "slice of the pie" of total 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 2011. 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.

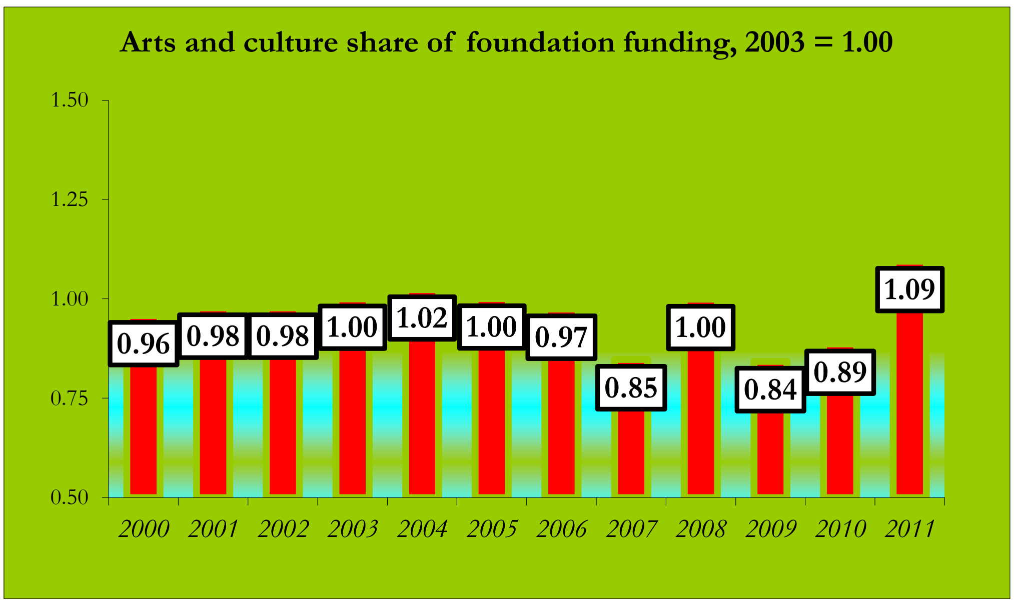


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Establishments in all NAICS industries (000)	7,070	7,095	7,201	7,255	7,388	7,500	7,601	7,705	7,601	7,705	7,397	7,350
Establishments in arts-related NAICS industries	210,785	211,448	216,995	216,480	221,107	220,185	225,880	228,377	218,328	211,081	204,375	198,344
Arts share of establishments	2.98%	2.98%	3.01%	2.98%	2.99%	2.94%	2.97%	2.96%	2.87%	2.74%	2.76%	2.70%
Indexed to 2003 = 1.00	1.00	1.00	1.01	1.00	1.00	0.98	1.00	0.99	0.96	0.92	0.93	0.90

62. 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 represents a bright spot for arts funding, especially compared to the losses in corporate support. Along with the number of grants, foundation arts grant dollars increased from 2000 through 2011 by 87 percent to $3.4 billion in current dollars (+43 percent when adjusted for inflation). From 2000-06, the arts and culture share was fairly stable, but it has been erratic in recent years. In 2009, the arts received just 10.5 percent of foundation funding, the lowest share in the 13 years of the Index. There was, however, a significant rebound in 2011 to 13.7 percent.

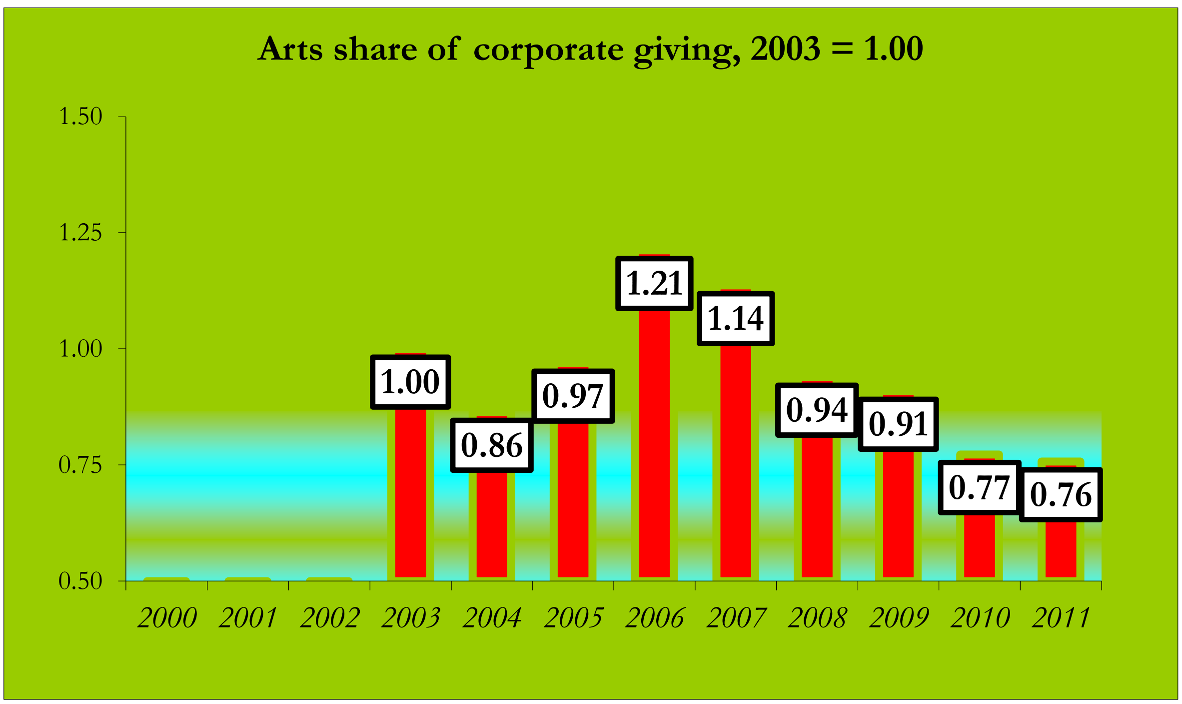


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total foundation grant dollars ($M)	15,015	16,763	15,925	14,323	15,478	16,428	19,123	21,650	25,266	22,138	20,546	24,543
Foundation grant dollars to arts and culture ($M)	1,799	2,048	1,946	1,790	1,980	2,055	2,330	2,294	3,156	2,332	2,276	3,358
Share of foundation giving to arts and culture	12.0%	12.2%	12.2%	12.5%	12.8%	12.5%	12.2%	10.6%	12.5%	10.5%	11.1%	13.7%
Indexed to 2003 = 1.00	0.96	0.98	0.98	1.00	1.02	1.00	0.97	0.85	1.00	0.84	0.89	1.09

63. 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) is a newer group serving major corporations with a principal purpose to enhance 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 *2011 Giving in Numbers* report uses data from 214 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 200611, arts support ranged from 8.0 to 5.0 percent of total corporate giving, with the same downward trend as seen in the Conference Board data.

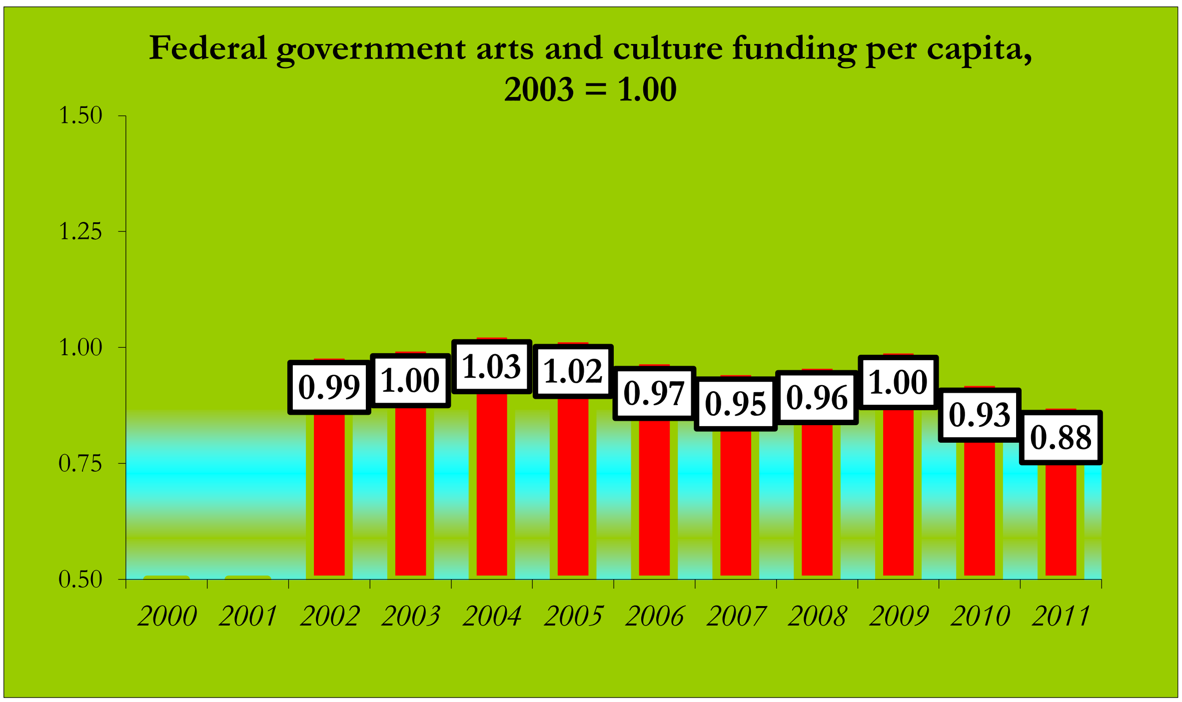


	2000-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Share of corporate giving to the arts from CECP		6.6%	5.7%	6.4%	8.0%	7.5%	6.2%	6.0%	5.1%	5.0%
Indexed to 2003 = 1.00	N/D	1.00	0.86	0.97	1.21	1.14	0.94	0.91	0.77	0.76

64. 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). Funding changes sometimes do and sometimes 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. What this indicator reveals is that this amount peaked in 2004 at $6.63, but dropped 15 percent to $5.65 in 2011 in constant dollars.

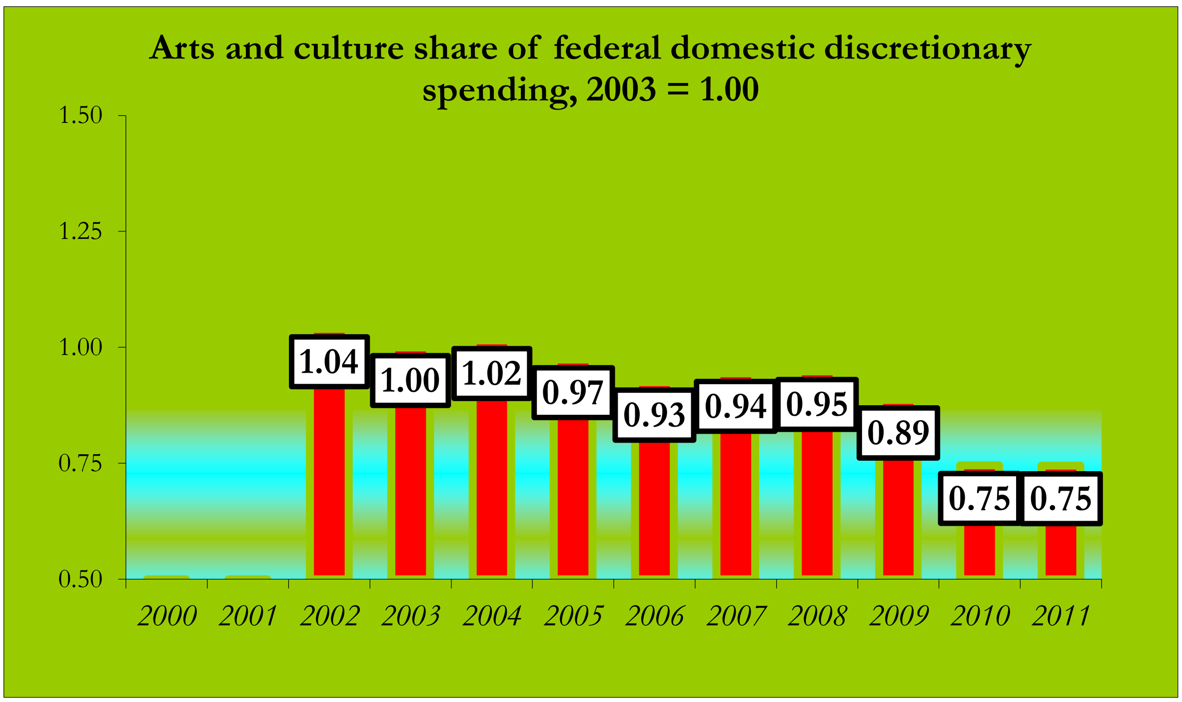


	2000-2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total federal arts Spending ($000)		1,525	1,598	1,705	1,762	1,751	1,776	1,888	1,962	1,870	1,839
U.S. population		287,804	290,326	293,046	295,753	298,363	301,580	304,375	307,007	309,629	311,592
Current dollar federal arts spending per capita		$5.30	$5.50	$5.82	$5.96	$5.86	$5.89	$6.20	$6.39	$6.04	$5.90
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
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
Indexed to 2003 = 1.00	N/D	0.99	1.00	1.03	1.02	0.97	0.95	0.96	1.00	0.93	0.88

65. 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 grew significantly through the 2000s, both defense and domestic. "Domestic" means that this money is not allocated by Congress for any international use (whether foreign aid or military); "discretionary" means that it is money that Congress has choices of how to allocate it (as compared to mandated or entitlement spending).

This indicator measures total arts funding as a share of total federal domestic discretionary spending, using data from the Budget of the United States and the Congressional Budget Office. From 2002 through 2010, total domestic discretionary 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, and stayed flat in 2011.

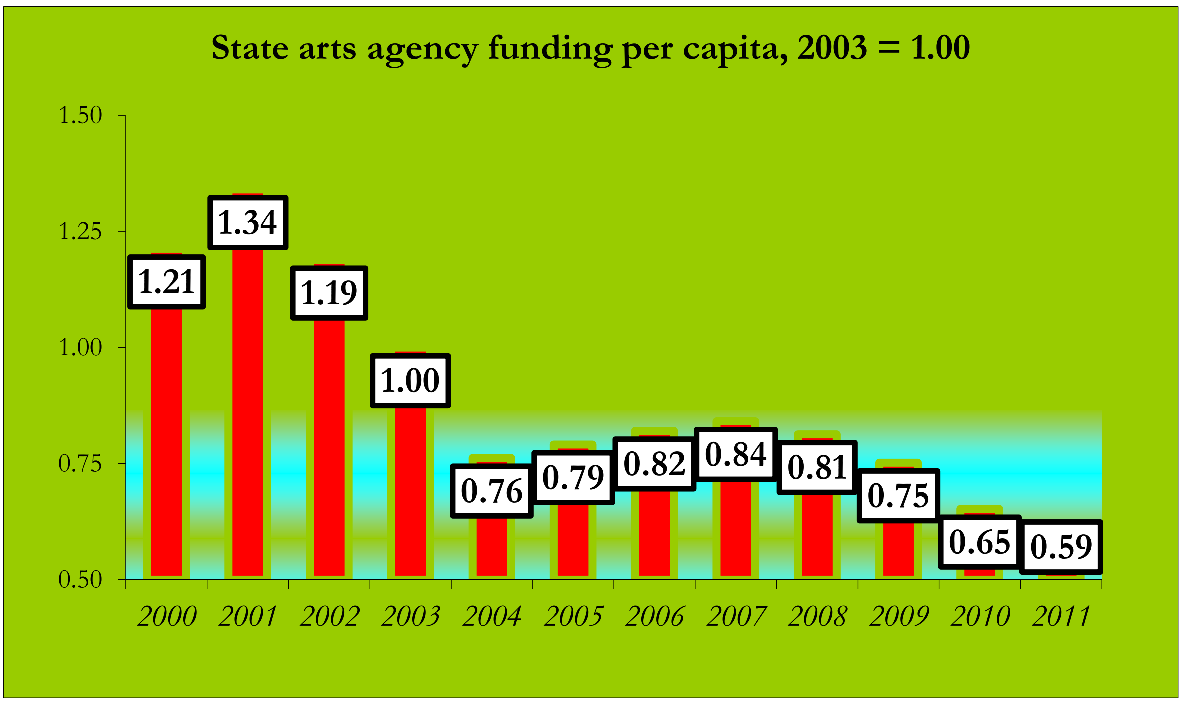


	2000-2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total federal arts spending ($000)		1,525,486	1,597,626	1,705,139	1,761,689	1,750,583	1,775,530	1,887,650	1,962,031	1,869,536	1,838,579
Federal Discretionary Domestic Spending ($B)		385.0	419.4	441.0	474.9	496.7	493.7	522.4	580.8	658.3	647.7
Percentage of FDD on select arts programs		0.42%	0.41%	0.42%	0.40%	0.38%	0.39%	0.39%	0.36%	0.30%	0.30%
Indexed to 2003 = 1.00	N/D	1.04	1.00	1.02	0.97	0.93	0.94	0.95	0.89	0.75	0.75

66. STATE ARTS AGENCY FUNDING PER CAPITA

In states just as at the federal level, arts spending *per capita* help show how state funds are reaching citizens. State allocations in dollars as shown in indicator #16, using 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 the 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 steadily in almost every part of the country. The measure is calculated by converting legislative appropriations to constant 2008 dollars, and dividing by total U.S. population. After rising from the late 1990s through 2001, per capita state support in constant dollars dropped sharply through 2004, then gradually growing through 2007. From 2007 to 2011, it fell from $1.21 to $0.84 per person, dropping below $1.00 for the first time in 2010.

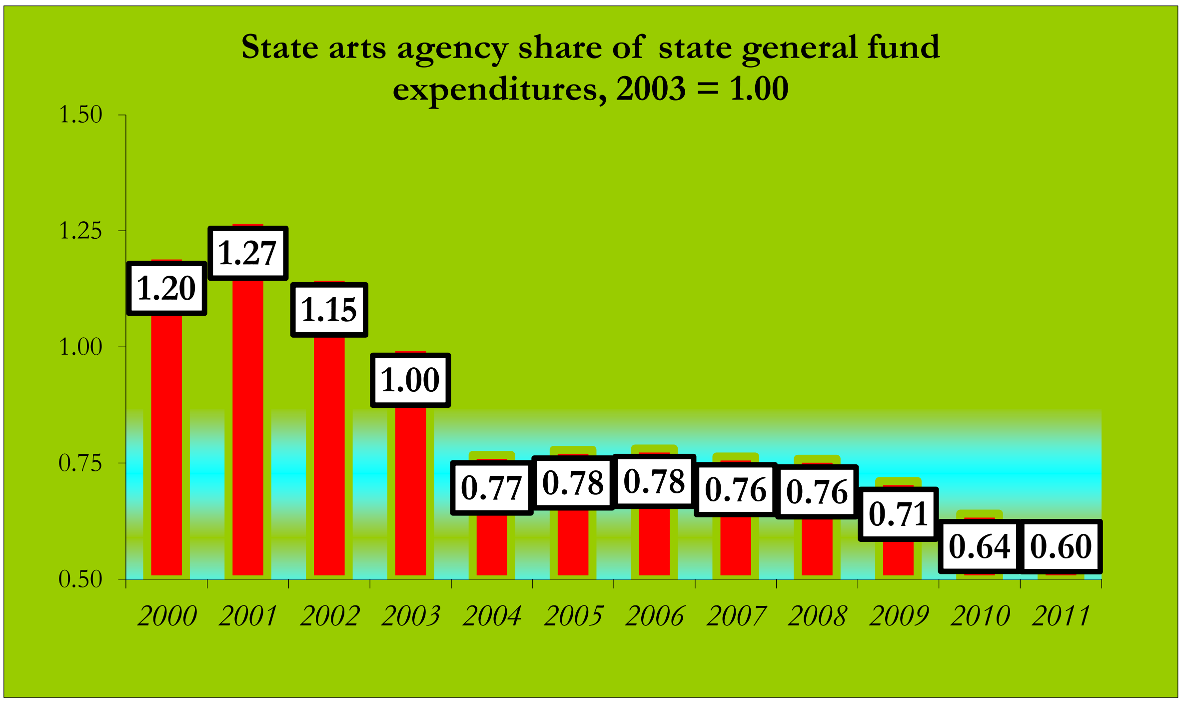


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
State arts agency legislative appropriations ($M)	392,325	450,577	409,725	355,673	280,990	304,209	328,859	350,122	354,746	329,801	293,200	273,957
CPI at 2008 = 100.0	80.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5
Constant dollar state funding of state arts agencies ($M)	490,521	547,765	490,349	416,176	320,260	335,362	351,207	363,561	354,746	330,974	289,494	262,218
U.S. population (000)	282,172	285,082	287,804	290,326	293,046	295,753	298,363	301,580	304,375	307,007	309,629	311,592
Constant dollar state arts expenditure per capita	$1.74	$1.92	$1.70	$1.43	$1.09	$1.13	$1.18	$1.21	$1.17	$1.08	$0.93	$0.84
Indexed to 2003 = 1.00	1.21	1.34	1.19	1.00	0.76	0.79	0.82	0.84	0.81	0.75	0.65	0.59

67. 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 2011, when it was less than half of the earlier 2001 peak. In 2011, less than one-twentieth of 1 percent of general state spending went to arts councils.

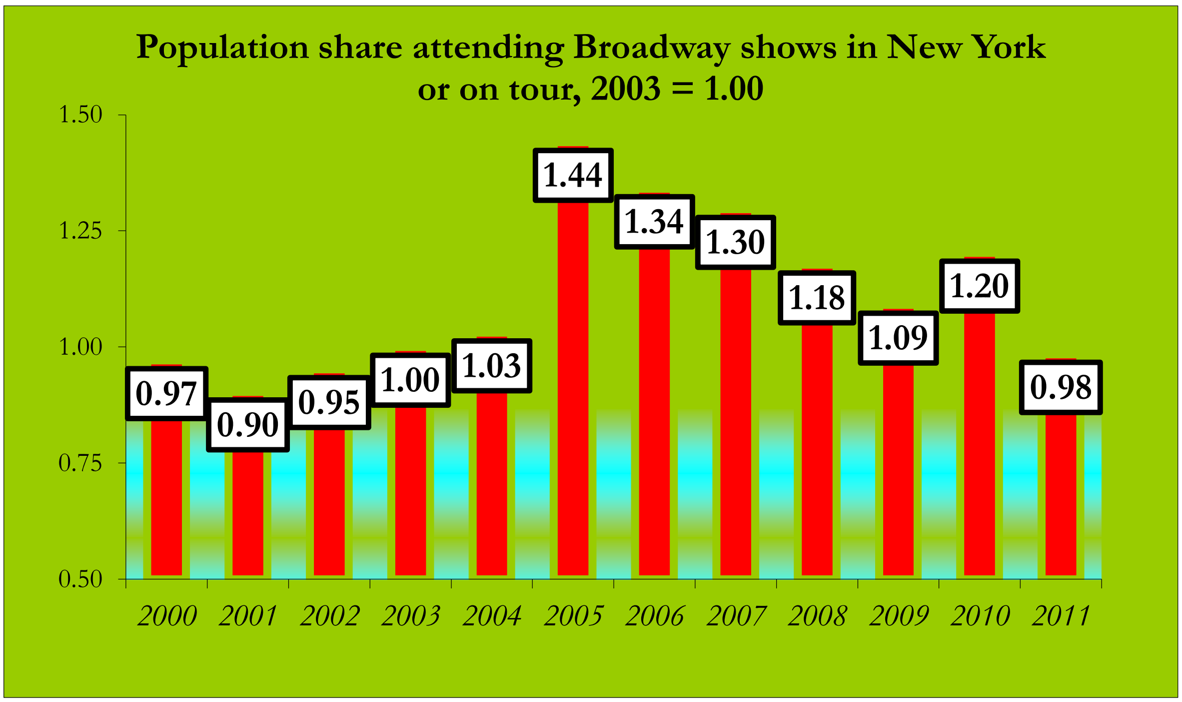


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Aggregate state general fund expenditures ($000)	468,222	505,701	508,618	508,290	522,869	558,280	601,107	654,676	667,692	689,100	689,100	652,900
State arts agency legislative appropriations ($000)	392,325	450,577	409,725	355,673	280,990	304,209	328,859	350,122	354,746	343,117	293,200	273,958
State arts expenditure as % of total state budget	0.084%	0.089%	0.081%	0.070%	0.054%	0.054%	0.055%	0.053%	0.053%	0.050%	0.045%	0.042%
Indexed to 2003 = 1.00	1.20	1.27	1.15	1.00	0.77	0.78	0.78	0.76	0.76	0.71	0.64	0.60

68. 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 indicate total demand for Broadway performances. What they do not answer directly is the issue how demand is changing relative to population increases.

This indicator measures the share of total population that is attending all New York and touring Broadway performances, as measured by the Broadway League. Attendance at touring Broadway shows comprises the majority of the total audience, though it is declining. The overall population share seeing Broadway events increased after 2001, then saw persistent declines between 2005 and 2011, interrupted by a significant rebound in 2010.

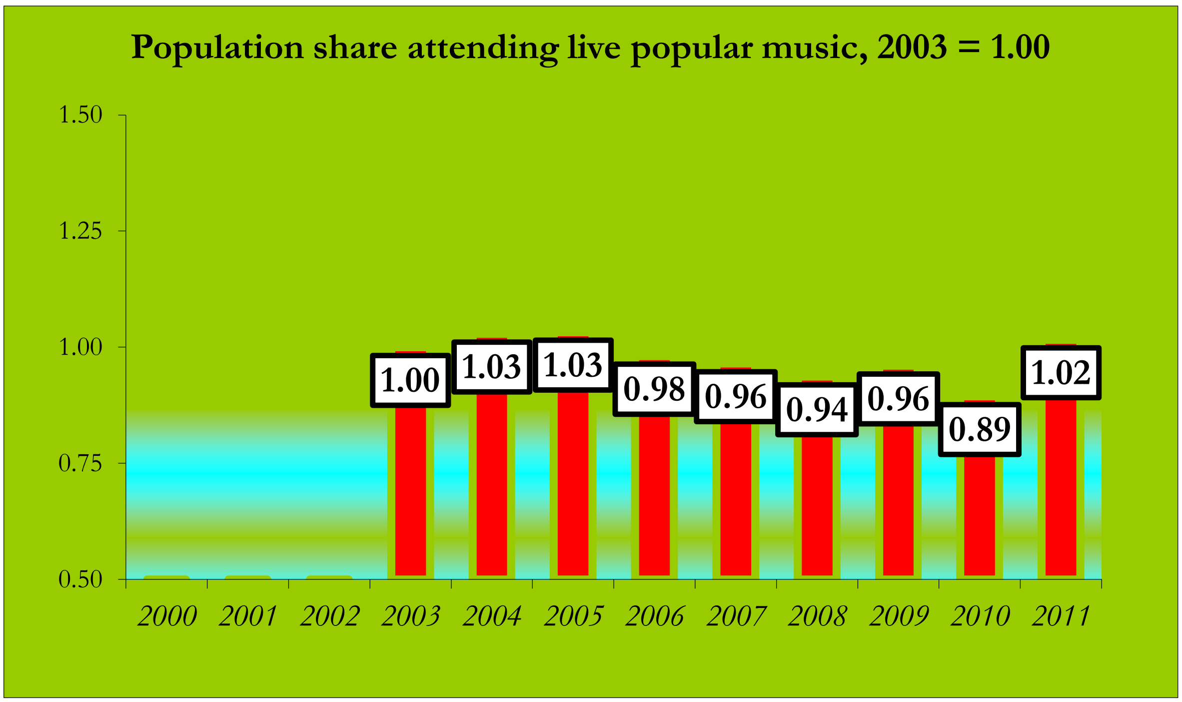


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
NYC Attendance (000)	11,380	11,896	10,955	11,423	11,605	11,527	12,003	12,312	12,267	12,250	11,890	12,530
Touring Attendance (000)	11,700	11,000	11,700	12,400	12,900	18,200	17,100	16,700	15,300	14,300	15,900	13,100
Total Attendance (000)	23,080	22,896	22,655	23,823	24,505	29,727	29,103	29,012	27,567	26,550	27,790	25,630
U.S. population (000)	282,172	285,082	287,804	290,326	293,046	295,753	298,363	301,580	304,375	307,007	309,629	311,592
Total Attendance as a percentage of total population	4.1%	3.9%	4.1%	4.3%	4.4%	6.2%	5.7%	5.5%	5.0%	4.7%	5.1%	4.2%
Indexed to 2003 = 1.00	0.97	0.90	0.95	1.00	1.03	1.44	1.34	1.30	1.18	1.09	1.20	0.98

69. Population Share Attending Live Popular Music

Scarborough Research collected data on arts attendance by residents in 77 metropolitan areas in 2010. The populations of those regions have been growing along with the general population, areas that hold about 76 percent of total U.S. population in 2011. 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 survey population of about 235 million that has attended one or more popular music events. In all, between 20-23 percent of metro area adults have attended one or more such concert events. Unlike measures based on attendance counts by producers, 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, an increase in 2011 brought this measure back to pre-recession levels.

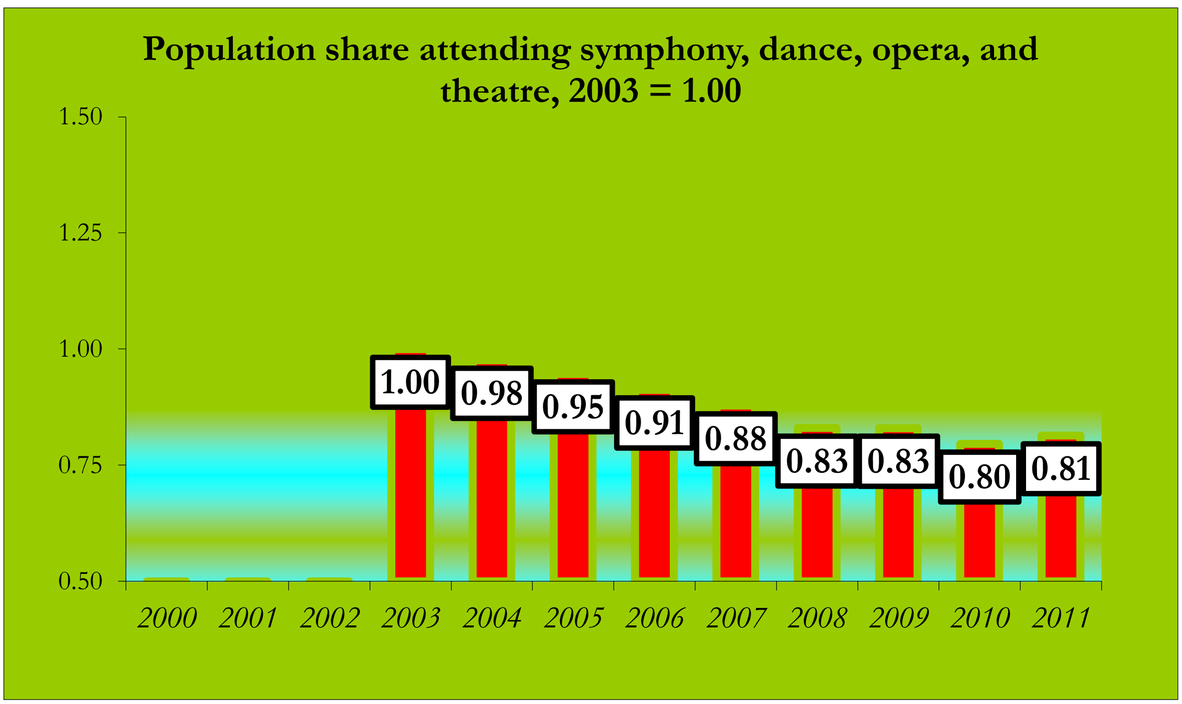


	2000-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total live popular music (000)		48,579	50,742	51,818	49,758	49,513	48,657	50,419	47,358	54,298
Total surveyed population (000)		213,638	216,884	220,698	223,086	225,650	228,481	230,975	232,961	235,017
Share of surveyed adults in 77 metropolitan areas attending live popular music event		22.7%	23.4%	23.5%	22.3%	21.9%	21.3%	21.8%	20.3%	23.1%
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

70. 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 vitality of arts and culture overall to look 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 as important cultural institutions. Data on attendance at events in these forms is gathered by Scarborough Research in 77 metropolitan areas that have about 76 percent of the entire U.S. population.

This indicator is 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 #47 (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 in the regions. 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 2011, 35 percent of the adult population attended a performing arts event—noteworthy as 2011 is the only increase between 2003 and 2011.

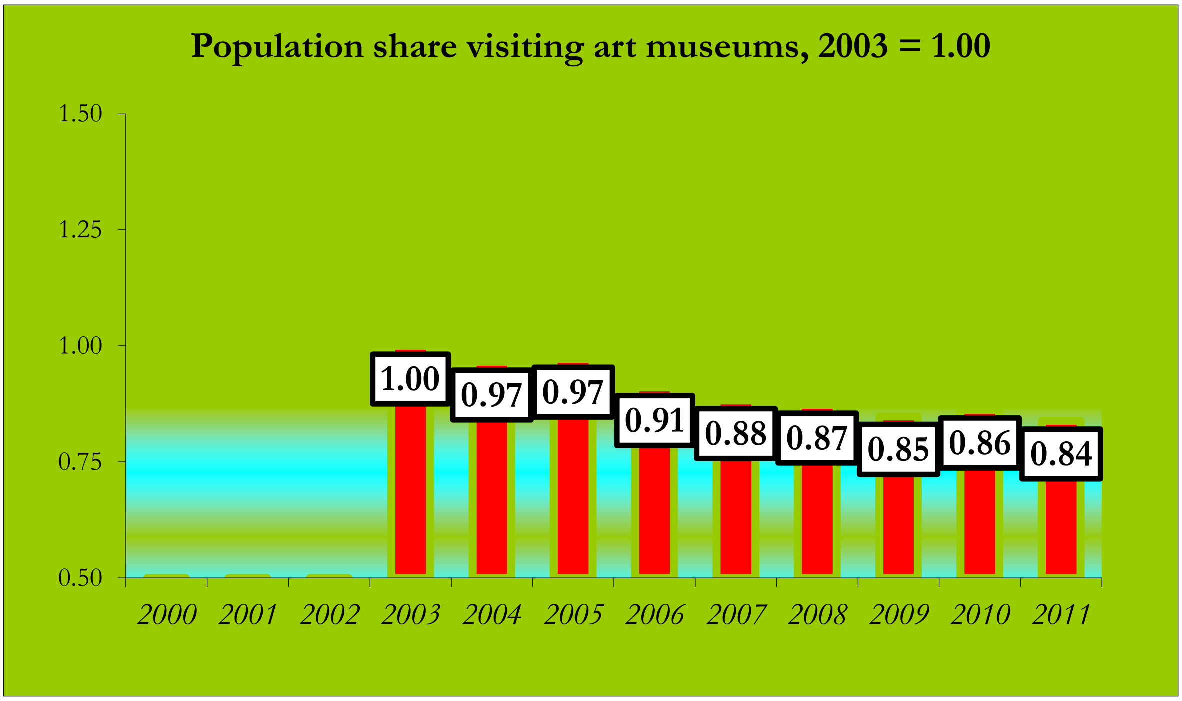


	2000-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total live performing arts attendance (000)		86,376	85,596	84,475	82,280	80,134	76,678	77,486	74,980	77,333
Total surveyed adult population (000)		213,638	216,884	220,698	223,086	225,650	228,481	230,975	232,961	235,017
Share of surveyed adults in 77 metropolitan markets attending symphony, dance, opera, or theatre.		40.4%	39.5%	38.3%	36.9%	35.5%	33.6%	33.5%	32.4%	34.6%
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

71. Population Share Visiting Art Museums

Scarborough Research provides data on various forms of arts participation in 77 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 77 metropolitan markets where Scarborough gathers data.

This indicator measures the share of adult respondents to Scarborough's total survey base that has visited an art museum at least once in the prior 12 months. Scarborough's data show that the share of total population attending art museums shrank from 15.5 percent in 2003 to 11.5 percent in 2009. While there was a slight increase in 2010, 2011 dropped to its lowest point.

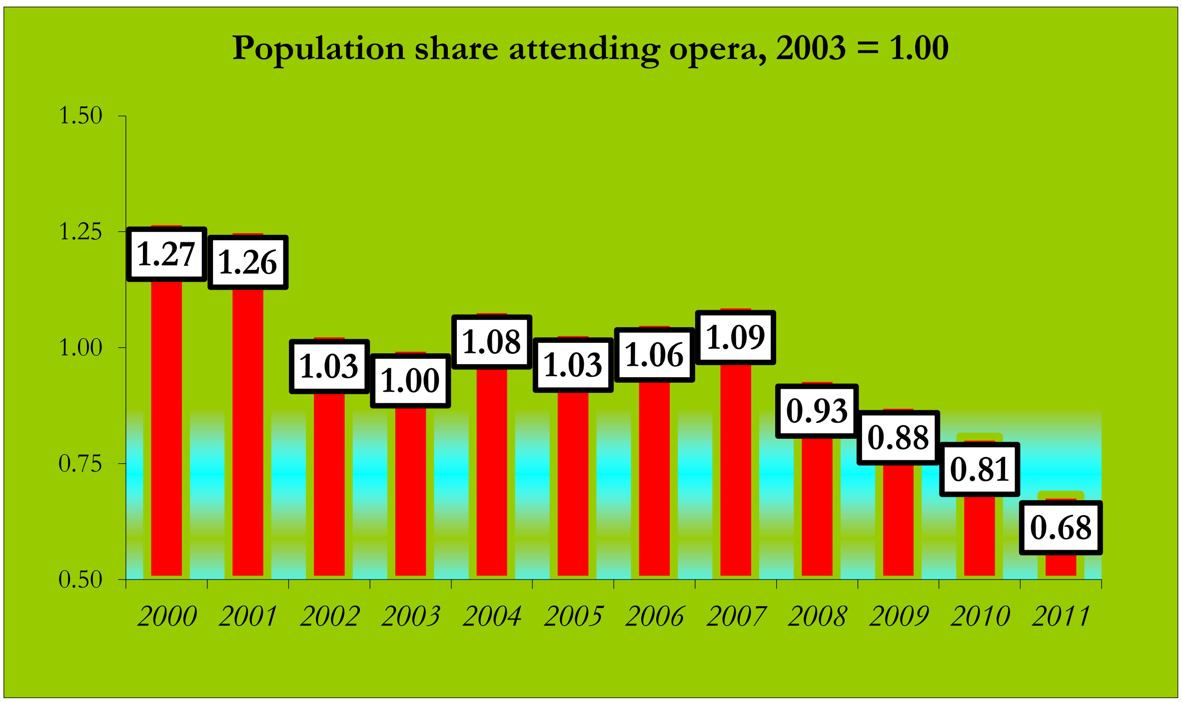


	2000-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total art museum attendance (000)		33,070	32,413	33,190	31,449	30,829	30,863	30,333	31,090	30,506
Total surveyed adult population (000)		213,638	216,884	220,698	223,086	225,650	228,481	230,975	232,961	235,017
Share of surveyed adults in 77 metropolitan markets visiting art museum		15.5%	14.9%	15.0%	14.1%	13.7%	13.5%	11.5%	13.3%	13.0%
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

72. Population Share Attending Opera

Opera, like other performing arts activities, competes for audience share with other performing arts, other kinds 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 measures takes total attendance at opera companies responding to the Opera America Professional Opera Survey along with other data, and divides it by the total U.S. population. This offers a "market share" of the U.S. population perspective on opera. Audiences from 2000 made up about 1.4 percent of the population, but opera has had progressively smaller shares then, slipping below one percent in 2009, and farther still in 2010 and 2011. It is worth noting, however, that overall audiences for opera have grown through the world-wide simulcasts of the 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.

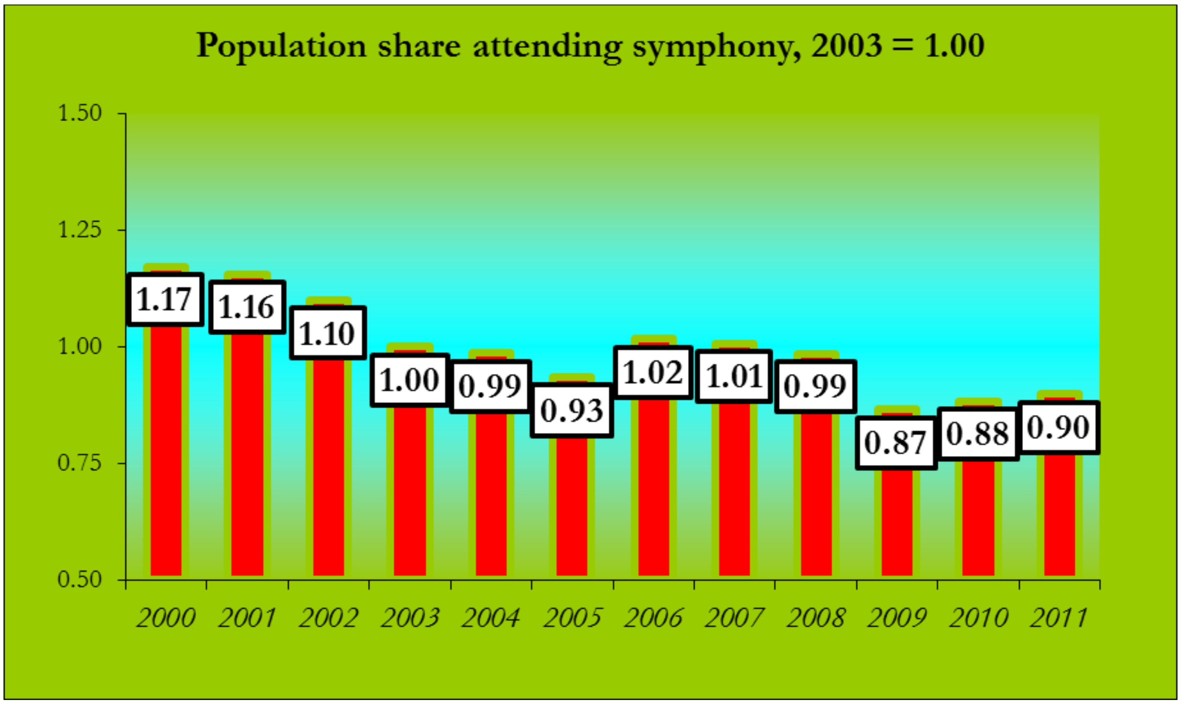


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Professional opera attendance (000)	3,887	3,872	3,211	3,142	3,436	3,309	3,411	3,568	3,078	2,914	2,710	2,304
Population (000)	282,172	285,082	287,804	290,326	293,046	295,753	298,363	301,580	304,375	307,007	309,629	311,592
Opera attendance as share of population	1.38%	1.36%	1.12%	1.08%	1.17%	1.12%	1.14%	1.18%	1.01%	0.95%	0.88%	0.74%
Indexed to 2003 = 1.00	1.27	1.26	1.03	1.00	1.08	1.03	1.06	1.09	0.93	0.88	0.81	0.68

73. 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 has, 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 divides it by a total U.S. population, to give a "market share" view. In the late 1990s, this share was over 12 percent, but it has generally declined since then. Symphony share increased in 2010 and 2011, as has been true for some other performing arts sectors.

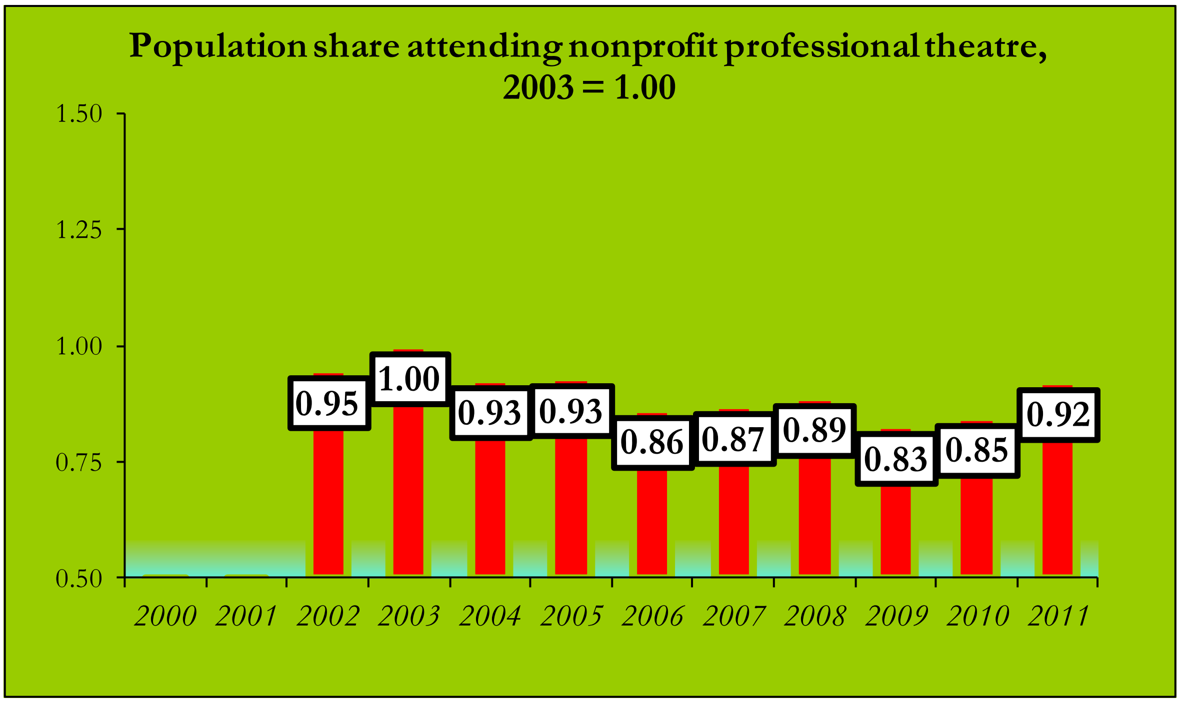


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total symphony attendance (000)	31,667	31,533	30,305	27,802	27,683	26,471	29,070	29,070	28,718	25,443	26,183	26,812
U.S. Population (000)	282,172	285,082	287,804	290,326	293,046	295,753	298,363	301,581	304,375	307,007	309,629	311,912
Total symphony attendance as a percentage of total population	11.2%	11.1%	10.5%	9.6%	9.4%	9.0%	9.7%	9.6%	9.4%	8.3%	8.5%	8.6%
Indexed to 2003 = 1.00	1.17	1.16	1.10	1.00	0.99	0.93	1.02	1.01	0.99	0.87	0.88	0.90

74. Population Share Attending Nonprofit Professional Theatre

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

This indicator measure takes total attendance at nonprofit professional theatre, as estimated by Theatre Communications Group, and divides it by the 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 saw a greater jump in theatre audiences than in population.

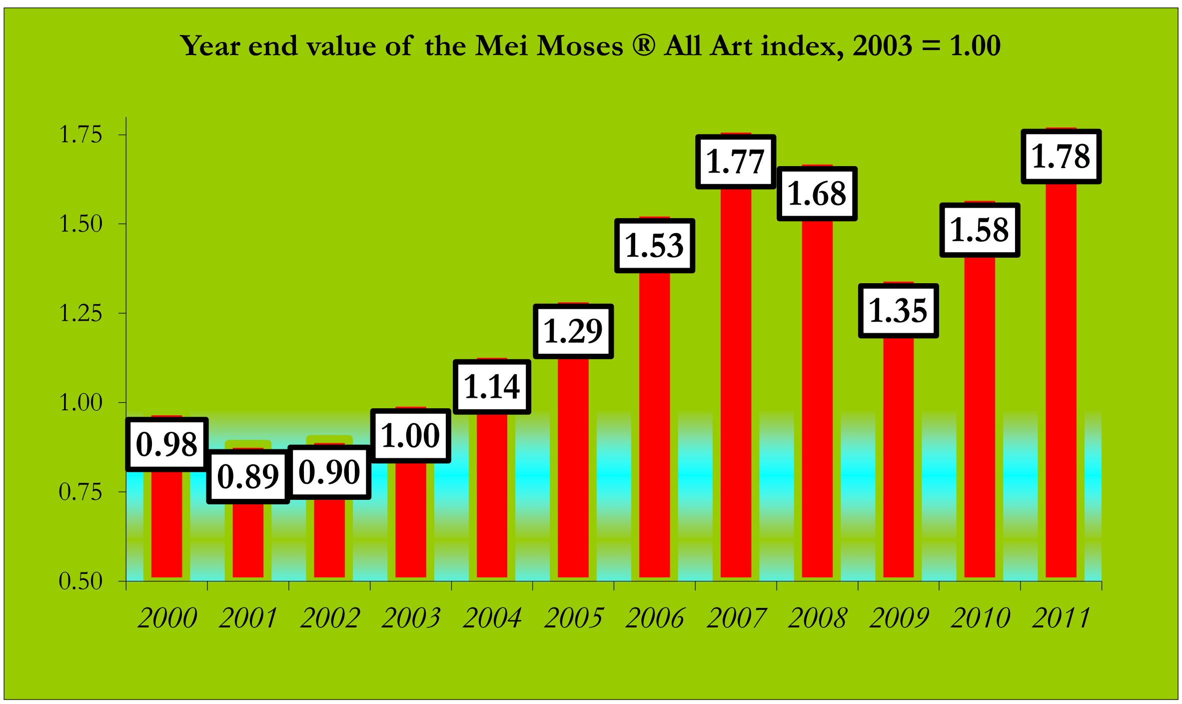


	2000-2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total Attendance at theatre (000)		32,200	34,300	32,100	32,500	30,500	31,000	31,000	30,000	30,000	34,000
Population (000)		287,804	290,326	293,046	295,753	298,363	301,580	304,375	307,007	309,629	311,592
Total Attendance as a percentage of total population		11.2%	11.8%	11.0%	11.0%	10.2%	10.3%	10.2%	9.8%	9.7%	10.91%
Indexed to 2003 = 1.00	N/D	0.95	1.00	0.93	0.93	0.86	0.87	0.89	0.83	0.85	0.92

75. 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 ways similar to the ways that 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 going 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 coming down (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—that is, a 100-fold increase. It is easy to see from the chart that it is a highly volatile measure, with asset values growing and shrinking rapidly.

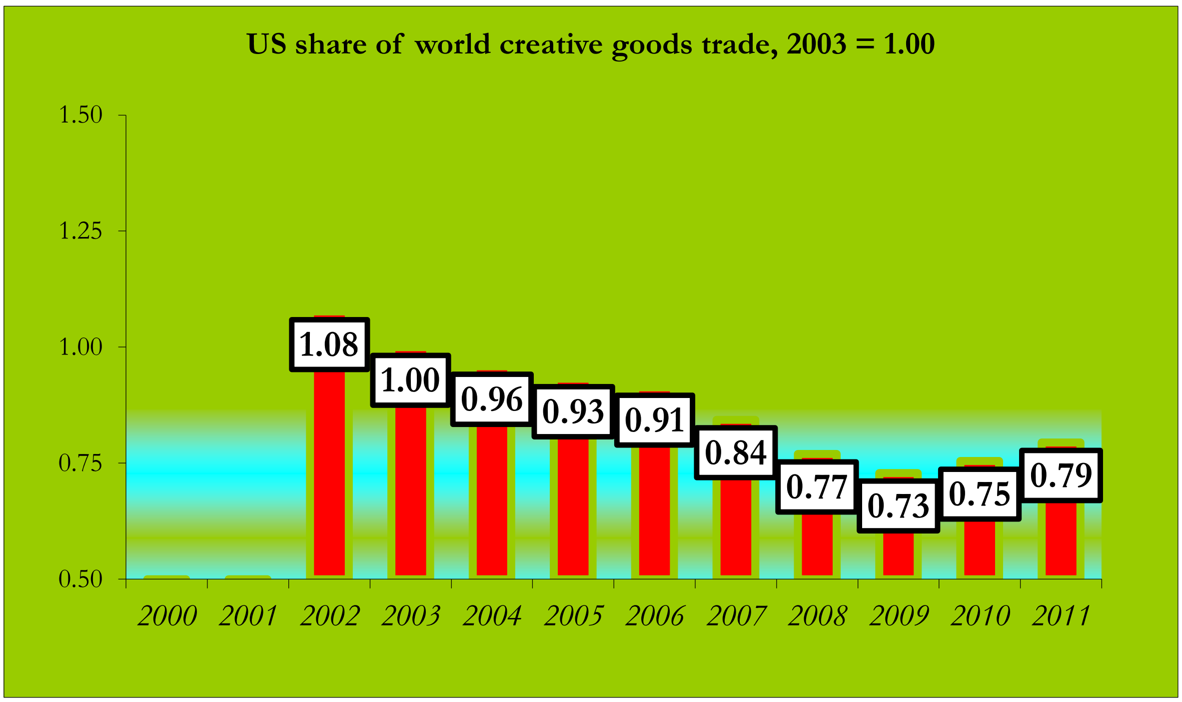


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Year-end value of the Mei Moses® All Art Index	1.469	1.333	1.352	1.506	1.712	1.946	2.307	2.661	2.526	2.033	2.373	2.683
Indexed to 2003 = 1.00	0.98	0.89	0.90	1.00	1.14	1.29	1.53	1.77	1.68	1.35	1.58	1.78

76. 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 had 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 in 2010 and 2011. Almost all of this is due to changes in exports, both up and down. U.S. imports are smaller, and change less, than exports.

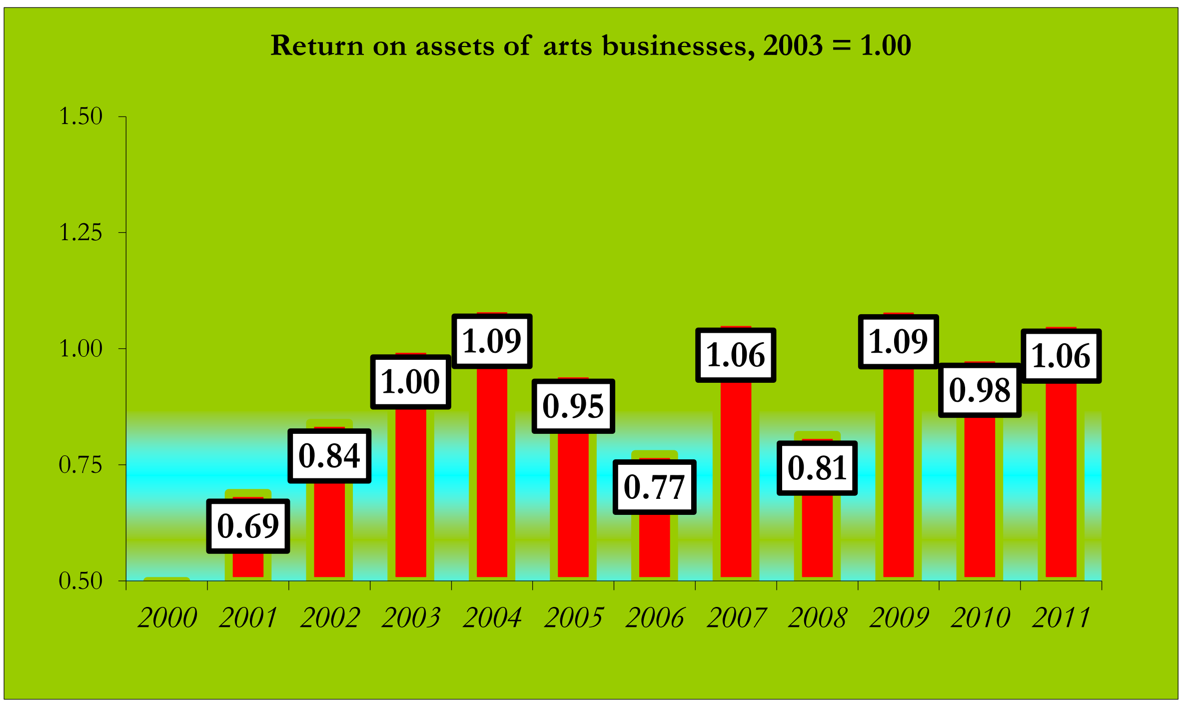


	2000-2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
U.S. creative goods exports ($000)		52,189	55,004	60,874	65,427	68,873	72,825	70,955	56,853	64,473	71,940
World creative goods exports		198,240	225,895	261,637	290,354	316,324	370,053	408,783	350,645	383,208	391,760
U.S. share of world creative goods exports		26.3%	24.3%	23.3%	22.5%	21.8%	19.7%	17.4%	16.2%	17.0%	18.4%
U.S. creative goods imports ($000)		14,485	15,174	16,814	18,483	20,360	24,347	26,217	20,934	23,167	24,762
World creative goods imports		220,078	244,141	278,264	310,134	330,719	398,030	423,819	350,799	391,760	417,622
U.S. share of world creative goods imports		6.6%	6.2%	6.0%	6.0%	6.2%	6.1%	6.2%	6.1%	6.1%	5.9%
U.S. share of world creative goods trade		32.9%	30.6%	29.3%	28.5%	27.9%	25.8%	23.5%	22.3%	23.1%	24.3%
Indexed to 2003 = 1.0	N/D	1.08	1.00	0.96	0.93	0.91	0.84	0.77	0.73	0.75	0.79

77. 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. These Studies present 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 that are trying to compare their performances to others in their industry or size range. The RMA data describe companies in 23 NAICS codes in the arts and culture industries.

This indicator measures return on assets for between 2,000 and 2,900 companies in those industries, aggregated across industries and size of business. In finance, the variability of returns is generally treated as a measure of risk. The index scores show that these companies were generally profitable, earning returns on assets ranging between 22-34 percent, and averaging about 29 percent. The performance over time has been very dynamic, with wide ranges up and down from one year to the next. While profitability for these firms dropped in 2010, following a 2009 rebound, 2010 and 2011 figures are still higher than 2008.

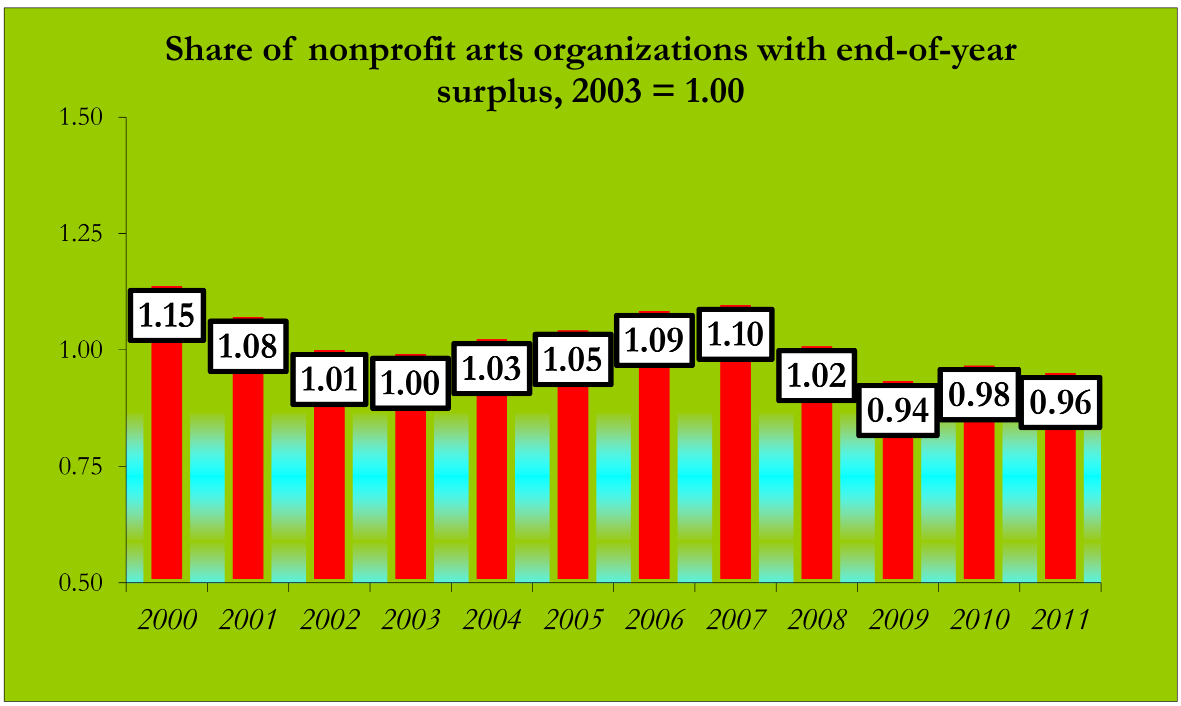


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Number of Statements		2,144	2,004	2,336	2,595	2,547	2,515	2,756	2,551	2,906	2,898	2,983
Total Imputed Profit ($M) (calculated as % profit x sales)		5,737	6,550	9,805	11,754	10,039	9,166	14,711	11,005	17,199	14,034	15,016
Net Sales ($M)		33,986	38,413	49,539	53,633	50,752	46,951	62,507	55,106	66,683	54,484	57,142
Total Assets ($M)		26,386	24,700	31,082	34,269	33,589	37,566	44,088	42,836	50,188	45,316	45,095
Imputed Profit/Total Assets		21.7%	26.5%	31.5%	34.3%	29.9%	24.4%	33.4%	25.7%	34.3%	31.0%	33.3%
Indexed to 2003 = 1.00	N/D	0.69	0.84	1.00	1.09	0.95	0.77	1.06	0.81	1.09	0.98	1.06

78. 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. In 2011, 44 percent of nonprofit arts organizations did neither, which resulted in an operating deficit (requiring them to amass debt or dip into cash reserves). In 2009, 45 percent had an operating deficit, and then improved in 43 percent in 2010. While a troubling finding, this is about the same share as nonprofits in other areas besides the arts. Larger-budget organizations were more likely to run a deficit; there was no predictable pattern based on specific arts discipline. These numbers have largely stabilized from 2009 through 2011, a sign of some financial stability in the sector.



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Percentage of nonprofit arts organizations with end-of-year surplus or break-even budget	66.6	62.8	58.6	58.2	60.0	61.1	63.5	64.3	59.1	54.8	56.7	55.8
Indexed to 2003 = 1.00	1.15	1.08	1.01	1.00	1.03	1.05	1.09	1.10	1.02	0.94	0.98	0.96

Chapter 7. Summary and Conclusions

The arts are fundamental to the health of a successful society. By understanding how the arts thrive, we can better understand how to make communities thrive through the arts. The National Arts Index helps to support lively conversations on these important topics, offering a systemic approach and accompanying evidence to support a range of critical and positive views.

The Great Recession is history, but its effects on the arts linger. The 2013 Index reports reveal a mixture of good and bad news for the arts, a combination of variability and vitality. Some of the issues highlighted are new, but others have been in the arts policy canon for years—the role of the nonprofit arts, the correlation between the arts and the economy, and the constant evolution of how the public engages the arts. But the dynamics of those issues are changing—nonprofits went from a growing to a shrinking component of the arts, the economic rebound is slower to benefit the arts, and with new distribution channels, individual engagement is changing in diverse ways. We saw some other findings and trends as especially significant in 2011:

- The arts industries are lagging as the economy recovers—with fewer indicators increasing in 2011 than in 2010, the arts are still looking for a sustained post-Great-Recession rebound.
- Fewer nonprofit arts organizations were active in 2011—dropping to 95,000.
- Arts nonprofits continued to be challenged financially with a larger percentage filing an IRS 990 with an operating deficit in 2011 than in 2010.
- Total charitable giving and overall employment help explain the health of the arts sector—the two categories have the greatest predictive influence the arts index.

How the public participates in and consumes the arts is ever-expanding—increasingly 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.

The index makes a value-free presentation of these findings, leaving it up to the reader to determine if this is inherently good or bad. Those diverse portrayals of the arts world through 78 separate views help us meet our goal to create not just one Index score, but a useful compendium of data. The breadth of evidence in this report on the many sectors of the arts promotes systemic thinking via the Arts and Culture Balanced Scorecard, showing how the sectors are linked in an ongoing cycle of interdependent industries. No single policy domain (e.g., government funding, audience growth, or arts infrastructure) tells the entire story. The Index wraps them up together in a coordinated view.

The Arts and Culture Balanced Scorecard model puts all the 78 indicators into one of four dimensions, each of which is a measure of change in the arts in 2011:

- *Financial flows* into the arts, after declining sharply from 2007 until 2010, stabilized in 2011.
- Capacity indicators continued to decline in levels of organizations, workers, and investment.
- *Arts participation* improved in 2010 and 2011 on a range of indicators to a new baseline close to its high.
- The *competitiveness* of the arts fell in three straight years before stabilizing in 2011.

THE NATIONAL ARTS INDEX IN 2013 AND BEYOND

In our 2010 release, we anticipated that the beginning of a post-recession turnaround in the arts would probably wait until late 2011. As we publish this in summer 2013, we recognize that our assessment was premature. Though, based on the broader increases in total employment and total philanthropy, the arts are poised for for growth. We are anxious, as researchers and arts advocates, to see if the data validates this projection. The next release scheduled for summer 2014, will help answer this question.

Annual updates are just one of several complementary and incremental steps for the Arts Index project.

- One is to maintain the data set over time, add new data when available, and issue annual updates on the national score, individual indicators, and Arts and Culture Balanced Scorecard. We continue to improve the quality of Index, adding other measures of the performance of the arts to help fill out the story.
- While we maintain an annual schedule for major Index reports, we hope to stimulate more discussion by singling out key Index findings and analyses through Blog postings on the Americans for the Arts site as well as others.
- We are adapting the Index for local use, helping community arts leaders make useful measures of arts and culture activity at the county level. With support from The Kresge Foundation, Americans for the Arts developed a "Local Arts Index" in partnership with 100 local arts agencies from across the country. County-level data on arts activity is available for all 3,143 U.S. counties at www.artsindexusa.org. It's free. See what you can learn about your county and community.
- We will further explore relationships between the arts and what appear to be two significant drivers of the arts industries' health: overall charitable giving, and total employment.

The Arts Index and its follow-on projects all are intended to serve artists, audiences, arts administrators, arts entrepreneurs, business leaders, appointed and elected officials, arts funders, and community leaders, with useful data and helpful tools to support to the vitality of arts and culture in communities and around the country. We hope it serves well.

CHAPTER 8. CREATING THE NATIONAL ARTS INDEX

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. Along with these 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 report, 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 first 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 were recommending 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 H*elp 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 components, 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 three 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 didn't 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, and 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:

Table 10. National Arts Index Data Sources

Type of data source	Indicators
Government bureau	18
Membership organization with mainly nonprofit members	11
Research organization	8
Membership organization with mainly business members	8
Business firm	8
Publication	4
Professional society	1
Calculated by combining data from two or more sources	20

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

All indicators all 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 2008
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 virtues and flaws. Some challenges already encountered include lags, sampling problems, and gaps in 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 trade data that didn't include that one.

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 2013 National Arts Index measures the vitality of arts and culture in the U.S. from 2000 to 2011, scaled to a base year of 2003 = 100.0. It is an average of the actual value of 78 different indicators.

In calculating the National Arts Index for 2000-2011 every indicator has equal weight for every year that it is measured For years 2003-2011, every one of the 78 indicators has 1.28 percent of the weight (because 100 percent / 78 = 1.28 percent). The same method applies to earlier years when there were fewer observations. For example, in 2002, there were 69 observed indicators, so each one has a weight of 1.45 percent in the 2002 Index score (100 / 63 = 0.0145).

The Index is calculated as follows: For every indicator, each annual measure is converted into an "index score" by dividing by the same measure value in 2003, adjusting for the number of indicators observed in that year and for the weight assigned to that indicator, then multiplying the result by 100. The last step puts all indicators into a common scale, which is "change leading up to or since 2003" regardless of if they were originally measured in numbers of people, billions of dollars, percentage, or another scale. It also makes it easy to view figures for later or earlier years as percentages of the 2003 figure. 2003 was selected as the base year because it was the first year for which all 78 indicators were available and because it was recent enough to relate the statistical findings of the Index to current events.

The indicator index scores ranged from a low of 0.497 to a high of 2.54. With the exception of three index (Foundation arts and culture funding, concert industry ticket sales, and Mei-Moses Art index) scores, all other index scores (out of 983) 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:

$$N_Y = \sum_{i=1}^{I} w_i s_{iy} \times I \div i_Y \times 100$$, where:

N_y = the National Art Index for a given year, y = 1998, … , 2011

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

I is the largest number of indicators available for a year. For 2003-2011, I = 78.

o_{iY} = observed indicator I in year Y

$s_{iy} = o_{iY} / o_{i2003}$, the index score for indicator i, 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= 1998, … , 2011

w_i = the weight assigned to indicator i, Σ w = 1.0

Thus, 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.

But a question remains: 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? 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 we hesitate because it would be arbitrary in some ways, and because we provide alternative viewpoints with different weighting schemes. The basic National Arts Index score attaches equal weight or importance to every indicator; each year's Index score is a simple average of index scores for all available indicators that year.

Making every indicator equally important in the Index is our approach in this report, but it's 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 are in Appendix E.

RELATING THIS REPORT TO PRIOR NAI REPORTS

For one reason or another, it because impractical or impossible to use seven indicators, so for the first time we "retired" some indicators. 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 has shows small differences in the reported 2009 and 2010 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 nine 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. This year, we removed (retired) seven indicators, and the overall Index value reflects their absence.
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. They include:

- Book Sales: benchmark revisions by data source
- Recordings: revision of RIAA data
- Business capital: benchmark revisions by BEA
- Degrees and Share of Degrees: recalculation of Associates degrees
- Exports and Trade Share: Revision of UNCTAD data
- Music royalties: revision of ASCAP data
- New Work: revision of movie and orchestra data
- Private giving and share of private giving—revised by Giving USA

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.

MEDIAN AND ACBS ANNUAL SCORES

The ACBS model implies that all four of the dimensions have equal weight of 25 percent in making up an overall ACBS score. Within each dimension, each indicator has an equal share of that 25 percent, resulting in the following weight for each indicator within each dimension in years where all 7 indicators were available:

- Financial flows: 1.47 percent, because *0.25 / 17 = 0.147*
- Capacity: 1.79 percent
- Arts participation: 1. 19 percent
- Competitiveness: 0.96 percent

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 each year.

Table 11 shows National Arts Index scores for each year 2000-2011, median indicator score 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

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
National Arts Index	100.1	100.3	99.4	100.0	100.3	101.3	102.1	103.0	100.6	97.6	97.2	97.1
Median Indicator	99.0	99.1	99.6	99.5	100.0	101.4	100.5	100.1	101.4	97.1	94.3	94.8
ACBS	99.8	100.6	98.9	100.0	100.5	101.5	102.5	103.6	101.6	98.7	98.2	97.9
Number of Indicators	49	52	54	63	78	78	78	78	78	78	78	78

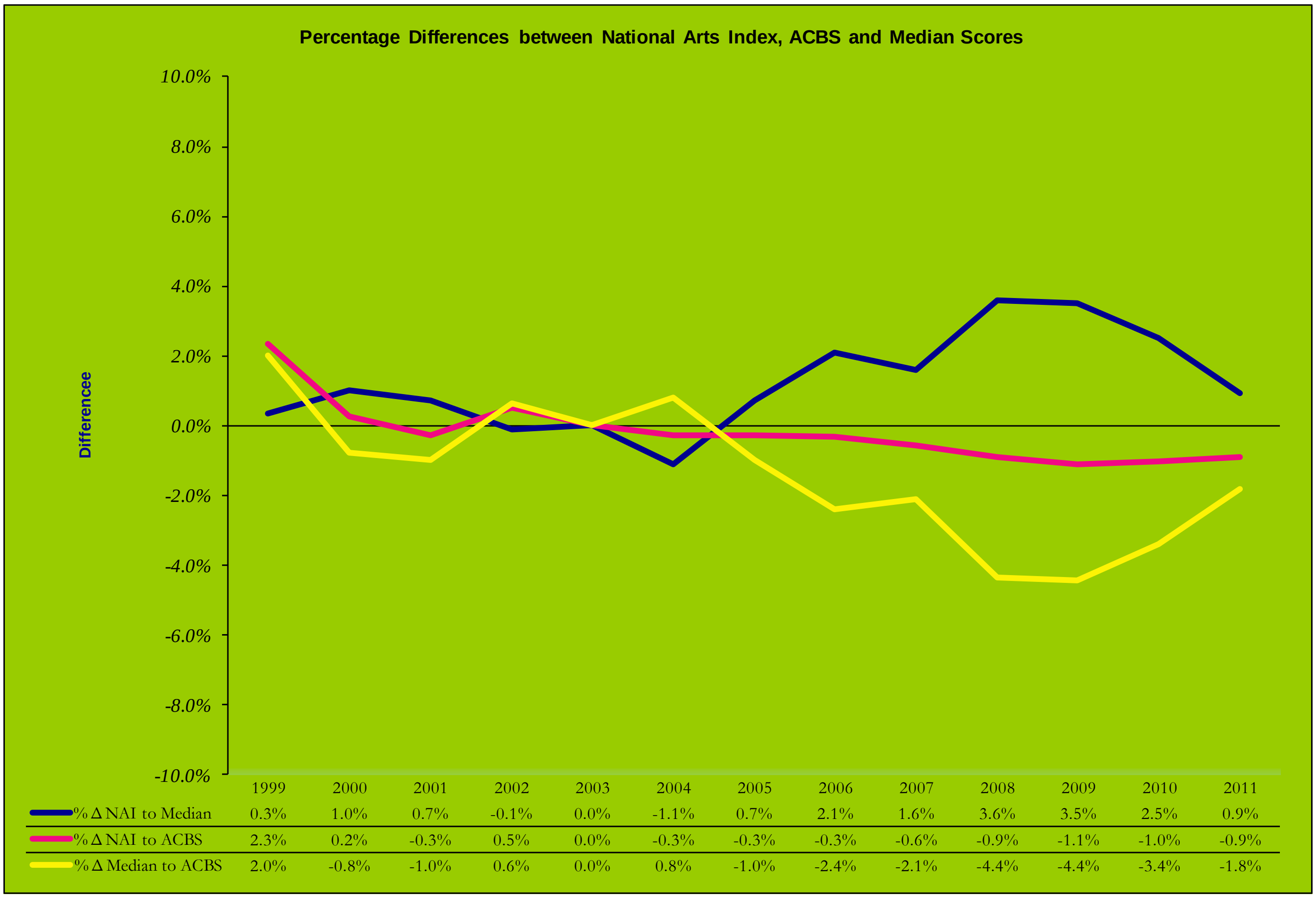


FIGURE H. NATIONAL ARTS INDEX, MEDIAN INDICATOR, AND ARTS AND CULTURE BALANCED SCORECARD INDEX SCORES

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.

A major overall objective was to create a result that was conceptually easy to understand for a broad-based audience, while providing ample coverage of arts and culture in the U.S, with additional detail on the underlying data. In time series study, time itself is an important variable. The technique presents data for each indicator in a common measurement format 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 manifestations 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 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 every 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 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 were 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 five- year intervals by NEA and other federal office.
- The NAI technique is a model for studies of states, metropolitan areas, and municipalities.
- The NAI has been calculated for four years and can be maintained into the future.
- We added nine new series (five in 2010, two in 2012, two in 2013), and produced new benchmark versions of the NAI, with a "crosswalk" to earlier "vintages," maintaining the equal-weighting policy.
- We retired seven indicators that would no longer be available or would not meet our criteria
- It appears to be reliable, as alternative measures of central tendency track each other very closely
- It was developed using standard desktop applications

Weaknesses of our approach include the following considerations:

- Many raw data series are based on surveys that are subject to biases, e.g., non-random samples, self-selection, 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 don't 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. They are longest in the areas of employment and payroll, which are usually issued by the Census Bureau about 28 months after the period they describe.
- 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 indicator.
- 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 tools on design and creativity, and the impact of the internet transmission of arts and culture content are similarly absent from our list of indicators (though many of the internet's effects are felt in the sector 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 is also the case with other policy index reports we learned from. We are keenly aware of these limits and are seeking data sources that illuminate additional areas.

Other Methodological Notes

For those interested in more of how the Index was constructed, here is additional information on how calculated and original / raw data indicators, adjusting for inflation, adjusting for population, overall t-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: Twenty 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/cpiai.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 easier to relate to recent price changes, the one-page reports use CPI set to 2008 =100, calculated by dividing average annual CPI figures for Index years by the 2008 CPI, and multiplying by 100:

Table 12. Consumer price indices, 1999 - 2010

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
CPI, 1982-1984 = 100	172.2	177.1	179.9	184	188.9	195.3	201.6	207.3	215.3	214.5	218.1	224.9
CPI, 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	104.5

Thus, the "constant dollar" figures reported are essentially in 2008 dollars. Note that the cumulative effect of inflation from 2000 to 2011 was 30.6 percent, calculated as (104.5/80.0)—1 = 0.306. Effectively, a dollar in 2011 bought less than what 70 cents purchased in 2000. 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, and decennial 2010 Census for 2010, and the Census Bureau estimate for July 1, 2011.

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 statistically significance of differences between Index scores for pairs of year. 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, and ***boldface italic*** for differences at the ten percent level of significance, a less rigorous standard.

Table 13. Probability Values for T-Test of differences between years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
1999	0.383	0.355	0.485	0.368	0.333	0.211	0.136	***0.092***	0.324	0.281	0.247	0.249
2000		0.464	0.355	0.477	0.467	0.295	0.189	0.126	0.420	0.178	0.155	0.163
2001			0.322	0.430	0.485	0.342	0.227	0.155	0.455	0.164	0.143	0.151
2002				0.239	0.227	0.111	***0.060***	**0.040**	0.289	0.215	0.185	0.196
2003					0.371	0.161	***0.083***	***0.055***	0.379	0.126	0.110	0.126
2004						0.251	0.137	***0.088***	0.431	0.117	0.102	0.117
2005							0.327	0.216	0.403	***0.068***	***0.060***	***0.071***
2006								0.357	0.283	**0.040**	**0.037**	**0.045**
2007									0.200	**0.027**	**0.025**	**0.031**
2008										0.151	0.132	0.139
2009											0.448	0.438

2010												0.443

The cluster of boldfaced and underlined probabilities on the right hand side are evidence that the 2009 through 2011 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 four Index points is significant at the five percent level for comparisons of two years where all 78 indicators are used (as is the case comparing 2004 and 2010).

Data series we did not use: We also 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 the 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 23.1million items from 1999 to 2006, about 6.8 to 7.0 percent of the total collection
- The U.S. share of attendance at the 30 largest art exhibitions held in art museums around the world.
- Number of nonprofit arts organizations filing the annual Form 990 information return. Until 2011, this represented an almost identical share every year (about 35 percent) of the total number of registered nonprofit arts organizations, and so would have provided no additional information to the Index. For 2011, about 43 percent of total registered nonprofits filed Form 990. Figures for nonprofit revenue, assets, and surplus are derived only those filings.
- 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 them 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 need many more observations than variables; the Index data include only twelve 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.

All this said, we are interested in more simple 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 2000 through 2011.

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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
25-1121	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

NTEE Code	Type of Nonprofit Organization
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 (Including Retired Indicators)

Indicator Scores, 2000-2011	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
1. Songwriter and composer performing rights royalties				1.000	1.060	1.099	1.139	1.203	1.260	1.300	1.275	1.218
2. Wages in artistic occupations	0.961	0.967	0.836	1.000	0.910	0.926	0.946	0.966	0.927	1.012	1.007	1.012
3. Payroll in arts and culture industries	1.029	1.028	0.995	1.000	0.983	1.019	1.062	1.063	1.034	0.956	0.918	
4. Publishing industry revenue			0.965	1.000	0.959	0.979	0.945	0.948	0.889	0.876	1.009	0.953
5. Bookseller sales	0.974	0.967	0.973	1.000	1.014	0.987	0.955	0.940	0.889	0.842	0.803	0.771
6. Musical instrument sales	1.094	1.025	1.022	1.000	1.025	1.053	0.977	0.957	0.871	0.725	0.771	0.776
7. Recording industry shipment value	1.291	1.204	1.088	1.000	1.014	0.977	0.905	0.776	0.632	0.556	0.498	0.484
8. Total album sales				1.000	1.016	0.943	0.896	0.763	0.653	0.570	0.497	0.504
9. Concert industry ticket sales	0.727	0.727	0.859	1.000	1.091	1.168	1.314	1.384	1.436	1.578	1.434	1.423
10. Constant dollar value of U.S. exports of creative goods			0.970	1.000	1.078	1.121	1.143	1.174	1.102	0.886	1.019	1.070
11. Revenue of arts and culture nonprofits	1.072	1.049	1.022	1.000	1.094	1.103	1.204	1.280	1.251	1.147	1.194	1.101
12. Corporate arts and culture funding	1.181	1.234	1.155	1.000	0.928	1.060	1.141	1.132	0.889	0.744	0.586	
13. Foundation arts and culture funding	1.074	1.189	1.112	1.000	1.077	1.081	1.188	1.137	1.507	1.117	1.073	1.534
14. Private giving to arts and culture	1.016	0.911	0.920	1.000	0.953	1.055	1.145	1.182	0.943	0.935	0.958	0.967
15. United arts fundraising campaigns		1.029	1.005	1.000	1.001	0.967	1.001	1.014	0.997	0.889	0.846	0.824
16. Federal government arts and culture funding			0.977	1.000	1.040	1.039	1.000	0.986	1.010	1.053	0.987	0.941
17. State arts agency legislative appropriations	1.179	1.316	1.178	1.000	0.770	0.806	0.844	0.874	0.852	0.795	0.696	0.630
18. Local government funding of local arts agencies	0.914	0.996	1.014	1.000	0.954	0.977	0.934	1.187	1.210	1.173	1.053	0.959
19. Artists in the workforce	0.996	1.010	0.995	1.000	1.013	1.024	1.013	1.077	1.060	1.046	1.041	1.016
20. Workers in arts and culture occupations	0.943	0.979	0.975	1.000	1.088	1.089	1.107	1.149	1.155	1.173	1.096	1.092
21. Employees in arts and culture industries	1.024	1.028	1.002	1.000	1.001	1.016	1.036	1.025	1.021	0.954	0.885	
22. "Creative Industries" employment				1.000	1.011	1.017	0.930	1.014	0.941	1.005	1.002	0.993
23. Arts union membership	1.010	1.002	1.001	1.000	1.003	1.040	1.086	1.230	1.268	1.257	1.276	1.271
24. CD and record stores				1.000	0.996	0.908	0.869	0.793	0.696	0.623	0.591	0.560
25. Independent artists, writers, and performers	0.891	0.922	0.971	1.000	1.044	1.120	1.134	1.190	1.185	1.205	1.245	1.279
26. Movie screens	1.020	0.996	1.001	1.000	1.022	1.057	1.078	1.088	1.089	1.101	1.109	1.112
27. Establishments in arts and culture industries	0.974	0.977	1.002	1.000	1.021	1.017	1.043	1.055	1.009	0.975	0.944	
28. "Creative Industries" establishments				1.000	1.016	0.999	0.985	0.996	0.980	0.944	0.965	0.990
29. Registered arts and culture 501(c)(3) organizations	0.874	0.913	0.958	1.000	1.045	1.083	1.128	1.177	1.225	1.279	1.298	1.095
30. Arts support organizations	0.891	0.926	0.975	1.000	1.046	1.073	1.097	1.095	1.116	1.153	1.113	1.101
31. Capital investment in arts and culture industries	0.914	0.953	0.988	1.000	1.068	1.104	1.144	1.159	1.167	1.173	1.188	1.145
32. Capital investment in nonprofit arts organizations	0.854	0.957	1.009	1.000	1.051	1.102	1.152	1.311	1.446	1.348	1.396	1.376
33. Personal arts creativity experiences				1.000	1.030	1.025	1.074	1.128	1.106	1.076	1.081	
34. Copyright applications	0.969	0.971	0.866	1.000	1.011	0.989	0.978	0.891	0.924	0.876	0.861	0.888
35. Personal expenditures on arts and culture	0.976	0.982	1.014	1.000	1.012	1.014	1.003	0.979	0.932	0.874	0.886	0.889
36. New work in theatre, orchestra, opera, Broadway, and film				1.000	0.969	0.875	1.037	1.091	1.057	0.998	1.019	1.009

Indicator Scores, 2000-2011	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
37. Books published on music, theatre, dance, or art	0.728	0.677	0.997	1.000	0.900	0.855	0.699	0.686	0.740	0.729	1.171	1.426
38. Volunteering for arts organizations			0.907	1.000	0.927	0.880	0.939	0.930	0.935	0.982	0.907	1.005
39. Arts work in volunteering				1.000	1.021	0.947	0.906	0.834	0.843	0.836	0.785	0.789
40. Performance of SAT test takers with four years of art or music	0.835	0.769	0.902	1.000	1.037	1.074	1.111	1.063	0.948	0.937	1.018	0.921
41. Arts majors by college bound seniors	0.986	1.025	1.035	1.000	0.936	0.945	1.034	1.053	1.009	0.961	1.089	1.138
42. Visual and performing arts degrees	0.815	0.854	0.931	1.000	1.069	1.094	1.112	1.118	1.133	1.182	1.191	1.235
43. Non-commercial radio listenership	0.858	0.929	0.956	1.000	0.973	0.929	0.991	0.991	1.044	1.053	1.080	1.071
44. Public television viewing	1.149	1.094	1.017	1.000	0.983	0.966	0.913	0.830	0.740	0.726	0.753	0.719
45. Foreign visitor participation in arts and culture leisure activity	1.010	1.036	0.981	1.000	1.052	1.080	1.112	1.105	1.197	1.226	1.267	1.258
46. Attendance at Broadway shows in New York	0.996	1.041	0.959	1.000	1.016	1.009	1.051	1.078	1.074	1.072	1.041	1.097
47. Attendance at touring Broadway shows	0.944	0.887	0.944	1.000	1.040	1.468	1.379	1.347	1.234	1.153	1.282	1.056
48. Attendance at live popular music				1.000	1.045	1.067	1.024	1.019	1.002	1.038	0.975	1.118
49. Attendance at symphony, dance, opera, and theatre				1.000	0.991	0.978	0.953	0.928	0.888	0.897	0.868	0.895
50. Motion picture attendance	0.909	0.945	1.032	1.000	0.976	0.905	0.921	0.920	0.882	0.934	0.880	0.842
51. Museum visits	0.911	0.976	0.902	1.000	0.984	1.161	1.105	1.037	1.048	1.042	1.012	
52. Art museum visits				1.000	0.980	1.004	0.951	0.932	0.933	0.917	0.940	0.922
53. Opera attendance	1.237	1.233	1.022	1.000	1.094	1.053	1.086	1.136	0.980	0.928	0.862	0.733
54. Symphony attendance	1.139	1.134	1.090	1.000	0.996	0.952	1.046	1.044	1.033	0.915	0.942	0.964
55. Nonprofit professional theatre attendance			0.939	1.000	0.936	0.948	0.889	0.904	0.933	0.875	0.904	0.991
56. Citations of arts and culture in bibliographic databases	1.061	1.074	1.017	1.000	0.958	0.852	0.937	1.027	1.024	0.877	0.840	
57. 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	
58. Arts and culture share of private giving	1.003	1.081	1.021	1.000	0.991	0.851	0.928	0.968	0.892	0.968	0.952	0.966
59. Share of metropolitan households contributing to arts and culture				1.000	1.007	1.014	1.021	1.055	1.043	1.021	0.998	0.975
60. Arts and culture share of personal expenditures	1.044	1.032	1.040	1.000	0.980	0.954	0.922	0.881	0.848	0.806	0.799	0.790
61. Visual and performing arts share of all degrees	0.899	0.930	0.980	1.000	1.017	1.007	0.993	0.973	0.959	0.931	0.930	0.911
62. Share of employees in arts and culture industries	1.018	1.013	1.010	1.000	0.986	0.990	0.980	0.964	0.958	0.897	0.896	
63. Share of workers in arts and culture occupations	0.946	0.976	0.975	1.000	1.083	1.066	1.064	1.091	1.090	1.145	1.100	1.086
64. Share of payroll in arts and culture industries	1.003	1.002	0.997	1.000	0.959	0.975	0.981	0.963	0.953	0.896	0.890	
65. Share of SAT I test takers with four years of art or music	0.962	0.939	0.979	1.000	1.071	1.112	1.177	1.159	1.192	1.273	1.190	1.108
66. Share of establishments in arts and culture industries	0.999	0.999	1.010	1.000	1.003	0.984	0.996	0.993	0.963	0.918	0.926	
67. Arts and culture share of foundation funding	0.958	0.977	0.978	1.000	1.023	1.001	0.975	0.848	0.999	0.843	0.886	1.095
68. Arts and culture share of corporate funding (Conference Board)	1.618	1.521	1.453	1.000	0.854	0.828	0.905	0.846	0.744	0.764	0.795	
69. Arts and culture share of corporate funding (CECP)				1.000	0.864	0.970	1.212	1.136	0.939	0.909	0.773	0.758
70. Federal government arts and culture funding per capita			0.985	1.000	1.030	1.020	0.972	0.949	0.963	0.996	0.926	0.877

Indicator Scores, 2000-2011	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
71. Arts and culture share of federal domestic discretionary spending			1.040	1.000	1.015	0.974	0.925	0.944	0.948	0.887	0.746	0.745
72. State arts agency funding per capita	1.213	1.340	1.189	1.000	0.762	0.791	0.821	0.841	0.813	0.752	0.652	0.587
73. State arts agency share of state general fund expenditures	1.197	1.273	1.151	1.000	0.768	0.779	0.782	0.764	0.759	0.712	0.642	0.600
74. Population share attending Broadway shows in New York or on tour	0.971	0.903	0.952	1.000	1.031	1.441	1.341	1.297	1.177	1.091	1.202	0.984
75. Population share attending live popular music				1.000	1.029	1.033	0.981	0.965	0.937	0.960	0.894	1.016
76. Population share attending symphony, dance, opera, and theatre				1.000	0.976	0.947	0.912	0.878	0.830	0.830	0.796	0.814
77. Population share visiting art museums				1.000	0.965	0.972	0.911	0.883	0.873	0.848	0.862	0.839
78. Population share attending opera	1.273	1.255	1.031	1.000	1.083	1.034	1.056	1.093	0.935	0.877	0.809	0.683
79. Population share attending symphony	1.172	1.155	1.100	1.000	0.986	0.935	1.017	1.007	0.985	0.865	0.883	0.899
80. Population share attending nonprofit professional theatre			0.947	1.000	0.927	0.930	0.865	0.870	0.890	0.827	0.847	0.924
81. Year end value of the Mei Moses ® All Art index	0.975	0.885	0.898	1.000	1.137	1.292	1.532	1.767	1.677	1.350	1.576	1.782
82. U.S. share of world creative goods trade			1.077	1.000	0.959	0.932	0.914	0.844	0.770	0.729	0.755	0.795
83. Arts, culture, and humanities in the Philanthropic Giving Index	1.458	1.429	1.405	1.000	1.464	1.400	1.373	1.183	1.137	0.895		
84. Return on assets of arts businesses		0.689	0.841	1.000	1.087	0.947	0.773	1.058	0.814	1.086	0.982	1.056
85. Share of nonprofit arts organizations with end-of-year surplus	1.145	1.079	1.008	1.000	1.031	1.051	1.092	1.105	1.017	0.942	0.975	0.959

APPENDIX E: INDICATOR DATA SOURCES

Indicator	Source / Link
1. Songwriter and composer performing rights royalties	ASCAP and BMI, retrieved from http://www.ascap.com/new/ and http://bmi.com/press/
2. Wages in artistic occupations	Bureau of Labor Statistics, Occupational Employment Statistics, retrieved from http://www.bls.gov/oes/#tables full-time status from http://www.arts.gov/research/ArtistsInWorkforce.pdf
3. Payroll in arts and culture industries	Bureau of the Census, County Business Patterns, retrieved from http://www.census.gov/econ/cbp/
4. Publishing industry revenue	American Association of Publishers, retrieved from http://www.bisg.org
5. Bookseller sales	Bureau of the Census, Monthly Retail Sales, retrieved from http://www.census.gov/retail/index.html
6. Musical instrument sales	National Association of Music Merchants, *NAMM Global Report Featuring Music USA* annual report, retrieved from http://www.namm.org/library/music-usa
7. Recording industry shipment value	Recording Industry Association of America, 2008 Year-End Shipment Statistics, retrieved from http://riaa.org/keystatistics.php
8. Total album sales	SoundScan Year-End Music Sales Reports retrieved from http://www.businesswire.com/news/home/20120105005547/en/Nielsen-Company-Billboard%E2%80%99s-2011-Music-Industry-Report, prior data provided by Soundscan
9. Concert industry ticket sales	Data provided to Americans for the Arts by *Pollstar*
10. Exports of creative goods	United Nations Conference on Trade and Development, retrieved from http://unctadstat.unctad.org/ReportFolders/reportFolders.aspx
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, *2011 Corporate Contributions Report*
12. Foundation arts and culture funding	Foundation Center FCStats, retrieved from http://foundationcenter.org/findfunders/statistics/gs_subject.html
13. Private giving to arts and culture	Giving USA Foundation, *Giving USA* 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	Federal budgets published by the General Printing Office, retrieved from http://www.gpo.gov/fdsys/browse/collectionGPO.action?collectionCode=BUDGET
16. State arts agency legislative appropriations	National Assembly of State Arts Agencies *Legislative Appropriations Annual Survey*
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 http://www.arts.gov/research/ResearchNotes_chrono.html, 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 http://www.bls.gov/oes/#tables full-time status from http://www.arts.gov/research/ArtistsInWorkforce.pdf
20. Employees in arts and culture industries	Bureau of the Census, County Business Patterns, retrieved from http://www.census.gov/econ/cbp/
21. "Creative Industries" employment	Americans for the Arts; data collected for the annual Creative Industries reports described at http://www.americansforthearts.org/information_services/research/services/creative_industries/default.asp
22. Arts union membership	Office of Labor Management Standards, Department of Labor, retrieved from http://kcerds.dol-esa.gov/query/getOrgQry.do
23. CD and record stores	Data provided by Almighty Institute of Music Retail
24. Independent artists, writers, and performers	Bureau of the Census, Non-Employer Statistics, retrieved from http://www.census.gov/econ/nonemployer/index.html
25. Movie screens	Motion Picture Association of America, *Theatrical Market Statistics*, retrieved from http://www.mpaa.org/Resources/3037b7a4-58a2-4109-8012-58fca3abdf1b.pdf
26. Establishments in arts and culture industries	Bureau of the Census, County Business Patterns, retrieved from http://www.census.gov/econ/cbp/
27. "Creative Industries" establishments	Americans for the Arts; data collected for the annual Creative Industries reports described at http://www.americansforthearts.org/information_services/research/services/creative_industries/default.asp
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 http://www.bea.gov/national/FA2004/Details/xls/detailnonres_stk1.xls
31. Capital investment in nonprofit arts organizations	Data provided to Americans for the Arts by National Center for Charitable Statistics at the Urban Institute
Retired. Personal arts creativity experiences	Bureau of the Census, *Statistical Abstract of the United States*, http://www.census.gov/compendia/statab/

Indicator	Source / Link
32. Copyright applications	Copyright Office, Library of Congress, retrieved from reports at http://www.copyright.gov/reports/, additional figures provided by Copyright Office staff.
33. Personal expenditures on arts and culture	Bureau of Economic Analysis, National Income and Products Accounts Table, retrieved from http://bea.gov/iTable/iTable.cfm?ReqID=9&step=1#reqid=9&step=1&isuri=1
34. 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
35. Books published on music, theatre, dance, or art	Books in Print database accessed at Muhlenberg College, Allentown, PA
36. Volunteering for the arts	Bureau of the Census, Current Population Survey, retrieved via Data Ferret at http://dataferrett.census.gov/
37. Arts work in volunteering	Bureau of the Census, Current Population Survey, retrieved via Data Ferret at http://dataferrett.census.gov/
38. Performance of SAT test takers with four years of art or music	College Board, College-Bound Seniors, retrieved from http://professionals.collegeboard.com/data-reports-research/sat/archived
39. Arts majors by college bound seniors	College Board, College-Bound Seniors, retrieved from http://professionals.collegeboard.com/data-reports-research/sat/archived
40. Visual and performing arts degrees	National Center for Education Statistics retrieved from http://nces.ed.gov/ipeds/datacenter/login.aspx
41. 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 http://www.arbitron.com/study/publicrt.asp
42. Public television viewing	Data provided to Americans for the Arts by Public Broadcasting System
43. Foreign visitor participation in arts and culture leisure activity	Data provided to Americans for the Arts by Department of Commerce, International Trade Administration
44. Attendance at Broadway shows in New York	Broadway League, Broadway Season Statistics, retrieved from http://www.broadwayleague.com/index.php?url_identifier=research-and-information-1
45. Attendance at touring Broadway shows	Broadway League, Broadway Season Statistics, retrieved from http://www.broadwayleague.com/index.php?url_identifier=research-and-information-1
46. Attendance at live popular music	Data purchased by Americans for the Arts from Scarborough Research, www.scarborough.com
47. Attendance at symphony, dance, opera, and theatre	Data purchased by Americans for the Arts from Scarborough Research, www.scarborough.com
48. Motion picture attendance	National Association of Theater Owners, retrieved from http://www.natoonline.org/statisticsadmissions.htm
49. Art museum visits	Data purchased by Americans for the Arts from Scarborough Research, www.scarborough.com
Retired. Museum visits	Data provided to Americans for the Arts by American Association of Museums
50. Opera attendance	Data provided to Americans for the Arts by Opera America, supplementary research
51. Symphony attendance	Data provided to Americans for the Arts by League of American Orchestras
52. Nonprofit professional theatre attendance	Theatre Communications Group Theatre Facts annual report, retrieved from http://www.tcg.org/tools/facts/
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, *Statistical Abstract of the United States*, http://www.census.gov/compendia/statab/
53. Arts and culture share of private giving	Giving USA Foundation, *Giving USA* annual publication
54. Visual and performing arts share of all degrees	National Center for Education Statistics retrieved from http://nces.ed.gov/ipeds/datacenter/login.aspx
55. Arts and culture share of personal expenditures	Bureau of Economic Analysis, National Income and Products Accounts Table, retrieved from http://bea.gov/national/nipaweb/SelectTable.asp
56. Visual and performing arts share of all degrees	National Center for Education Statistics retrieved from http://nces.ed.gov/ipeds/datacenter/login.aspx
57. Share of employees in arts and culture industries	Bureau of the Census, County Business Patterns, retrieved from http://www.census.gov/econ/cbp/
58. Share of workers in arts and culture occupations	Bureau of Labor Statistics, Occupational Employment Statistics, retrieved from http://www.bls.gov/oes/#tables full-time status from http://www.arts.gov/research/ArtistsInWorkforce.pdf
59. Share of payroll in arts and culture industries	Bureau of the Census, County Business Patterns, retrieved from http://www.census.gov/econ/cbp/
60. Share of SAT I test takers with four years of art or music	College Board, College-Bound Seniors, retrieved from http://professionals.collegeboard.com/data-reports-research/sat/archived
61. Share of establishments in arts and culture industries	Bureau of the Census, County Business Patterns, retrieved from http://www.census.gov/econ/cbp/
62. Arts and culture share of foundation funding	Foundation Center FCStats, retrieved from http://foundationcenter.org/findfunders/statistics/gs_subject.html
Retired. Arts and culture share of corporate funding	Conference Board, *2011 Corporate Contributions Report*
63. Arts and culture share of corporate funding (CECP)	Committee Encouraging Corporate Philanthropy *Giving in Numbers*, retrieved from http://www.corporatephilanthropy.org/research/benchmarking-reports/giving-in-numbers.html

Indicator	Source / Link
64. Federal government arts and culture funding per capita	Congressional Research Service *Arts and Humanities: Background on Funding*, retrieved from http://italy.usembassy.gov/pdf/other/RS20287.pdf; Federal budgets published by the General Printing Office, retrieved from http://www.gpoaccess.gov/usbudget/browse.html
65. Arts and culture share of federal domestic discretionary spending	Congressional Research Service *Arts and Humanities: Background on Funding*, retrieved from http://italy.usembassy.gov/pdf/other/RS20287.pdf; Federal budgets published by the General Printing Office, retrieved from http://www.gpoaccess.gov/usbudget/browse.html
66. State arts agency funding per capita	National Assembly of State Arts Agencies *Legislative Appropriations Annual Survey*
67. State arts agency share of state general fund expenditures	National Assembly of State Arts Agencies *Legislative Appropriations Annual Survey*
68. Population share attending Broadway shows in New York or on tour	Broadway League, Broadway Season Statistics, retrieved from http://www.broadwayleague.com/index.php?url_identifier=research-and-information-1
69. Population share attending live popular music	Data purchased by Americans for the Arts from Scarborough Research, www.scarborough.com
70. Population share attending symphony, dance, opera, and theatre	Data purchased by Americans for the Arts from Scarborough Research, www.scarborough.com
71. Population share visiting art museums	Data purchased by Americans for the Arts from Scarborough Research, www.scarborough.com
72. Population share attending opera	Data provided to Americans for the Arts by Opera America, supplementary research
73. Population share attending symphony	Data provided to Americans for the Arts by League of American Orchestras
74. Population share attending nonprofit professional theatre	Theatre Communications Group Theatre Facts annual report, retrieved from http://www.tcg.org/tools/facts/
75. Year end value of the Mei Moses ® All Art index	Data provided by Beautiful Asset Advisors® LLC, http://www.artasanasset.com
76. U.S. share of world creative goods trade	United Nations Conference on Trade and Development, retrieved from http://unctadstat.unctad.org/ReportFolders/reportFolders.aspx
Retired. Arts, culture, and humanities in the Philanthropic Giving Index	Data provided to Americans for the Arts by Indiana University Center on Philanthropy
77. Return on assets of arts businesses	Robert Morris Associates *Annual Statement Studies* annual publication
78. 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

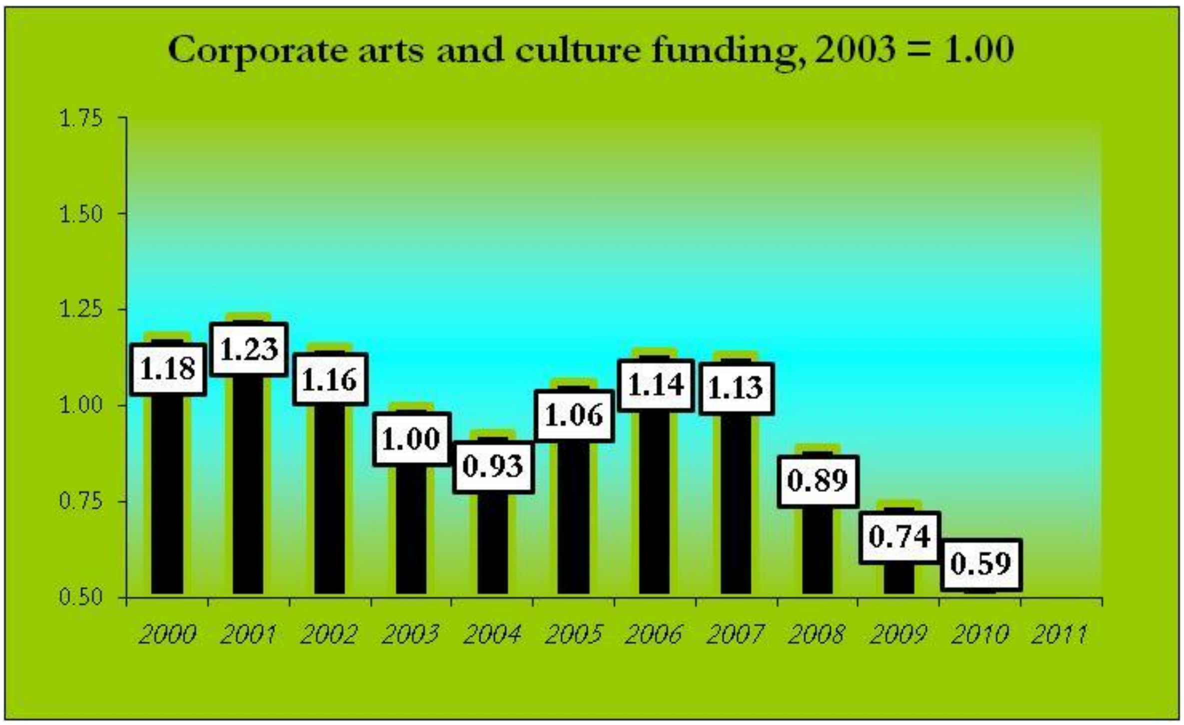
This report marks the first time that indicators have been removed from the overall calculation of the National Arts Index score. To make their past values available to readers, we include in this Appendix the last one-page analyses that were published in the 2012 Arts Index report. The indicators, their 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.

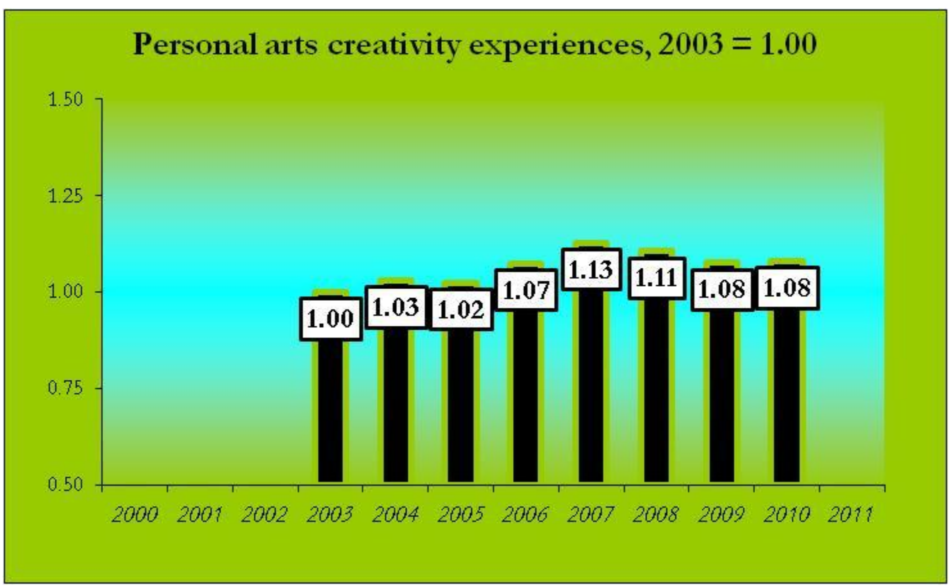


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total corporate giving to the arts ($000)	346,527	372,394	354,092	313,465	298,647	352,841	391,911	400,009	326,190	272,015	217,840
CPI at 2008 = 100.0	80.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3
Constant dollar corporate support of the 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.

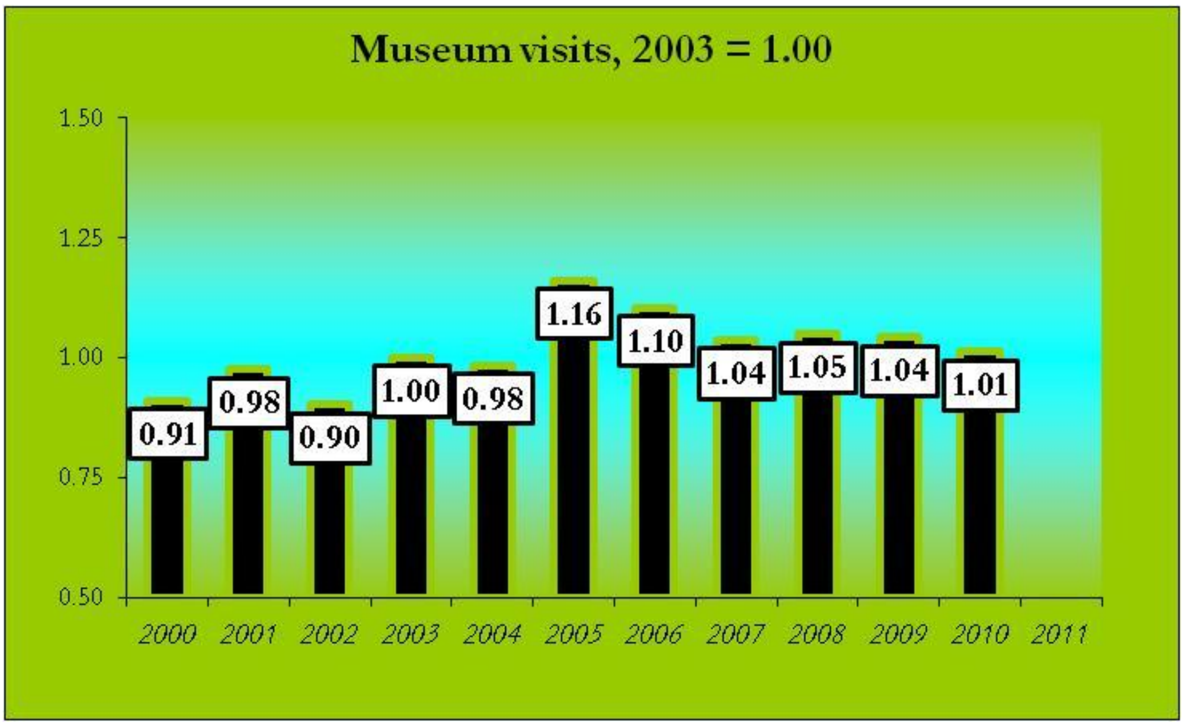


	2000-2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Painting, drawing (000)		15,145	14,089	14,020	13,746	12,356	15,146	14,425	13,681	13,791
Photography (000)		24,973	23,794	24,645	25,561	28,504	28,340	28,445	26,268	26,173
Play musical instrument (000)		15,744	15,828	16,680	15,727	16,852	17,108	16,526	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.

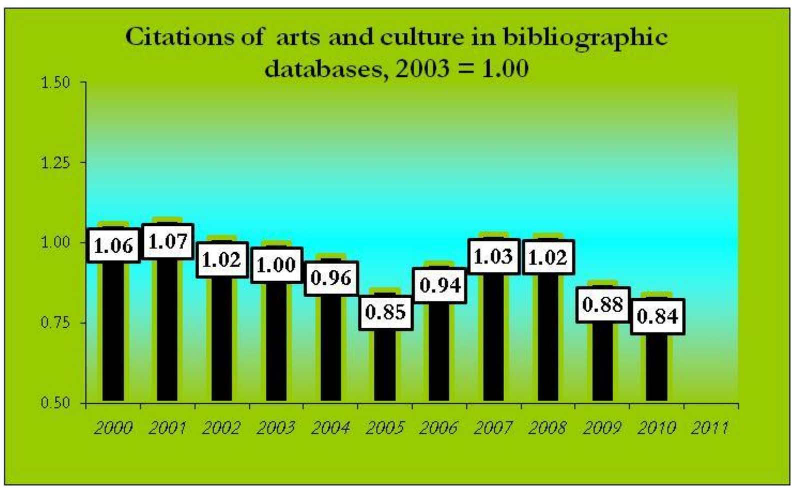


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Median attendance at museums	76,500	81,905	75,731	83,953	82,617	97,509	92,761	87,063	88,022	87,500	85,000
Indexed to 2003 = 1.00	0.91	0.98	0.90	1.00	0.98	1.16	1.10	1.04	1.05	1.04	1.01

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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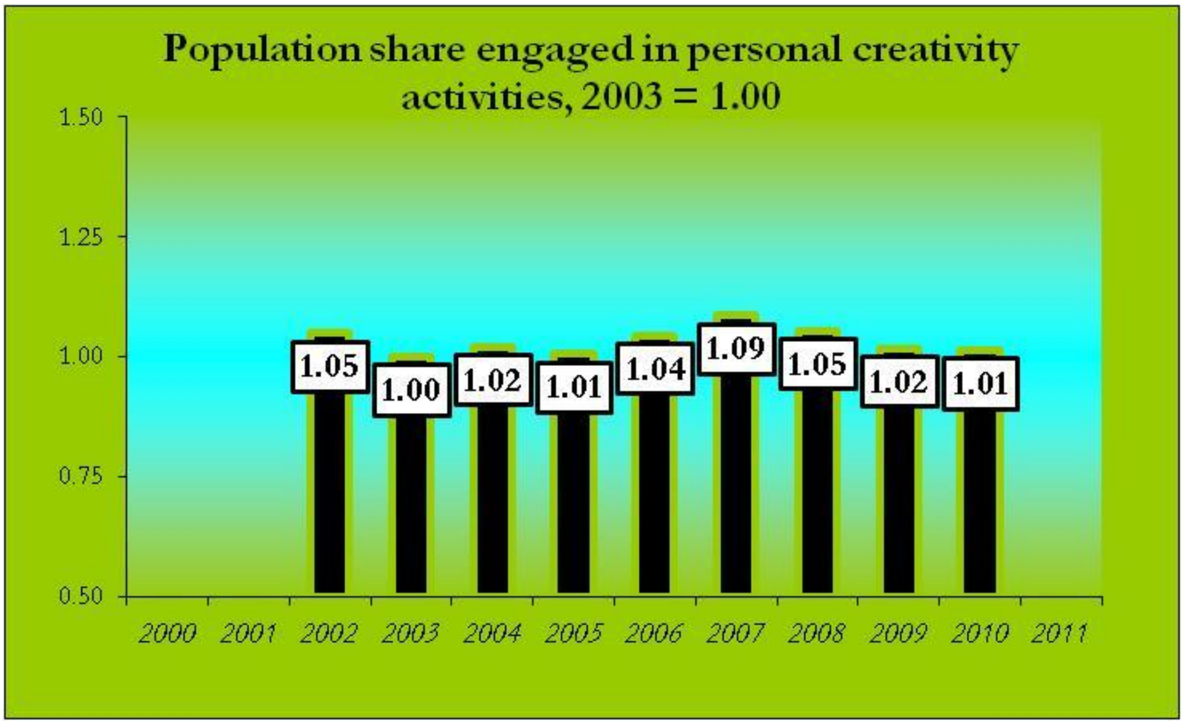
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total Articles	2,983,814	2,970,350	3,427,276	3,749,084	4,381,915	5,394,257	6,184,418	6,215,636	4,217,547	6,785,201	7,933,431
Keywords:											
Musician	24,553	24,431	24,962	26,057	28,258	30,163	39,436	50,204	33,296	49,647	54,451
Artist	74,620	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.

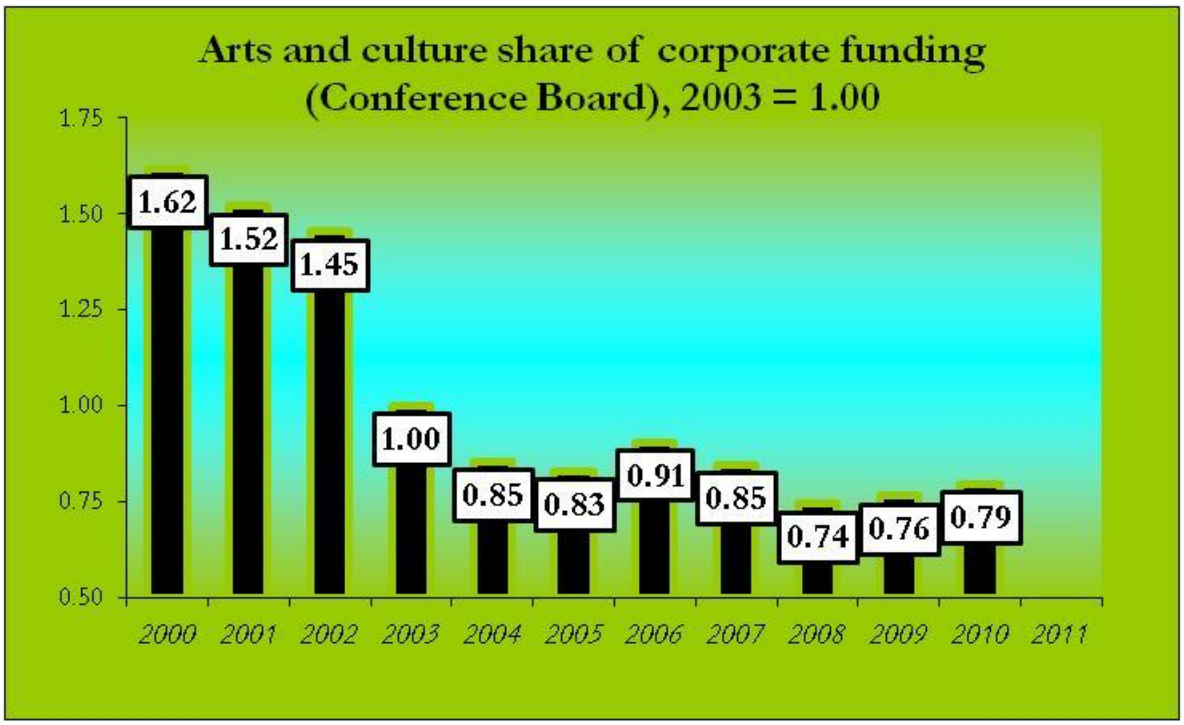


(All figures in 000)	**2000-2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
Total participation in music making, painting, drawing, and/or photography		55,862	53,711	55,345	55,034	57,712	60,594	59,396	57,812	58,042
U.S. population (000)		287,804	290,326	293,046	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.

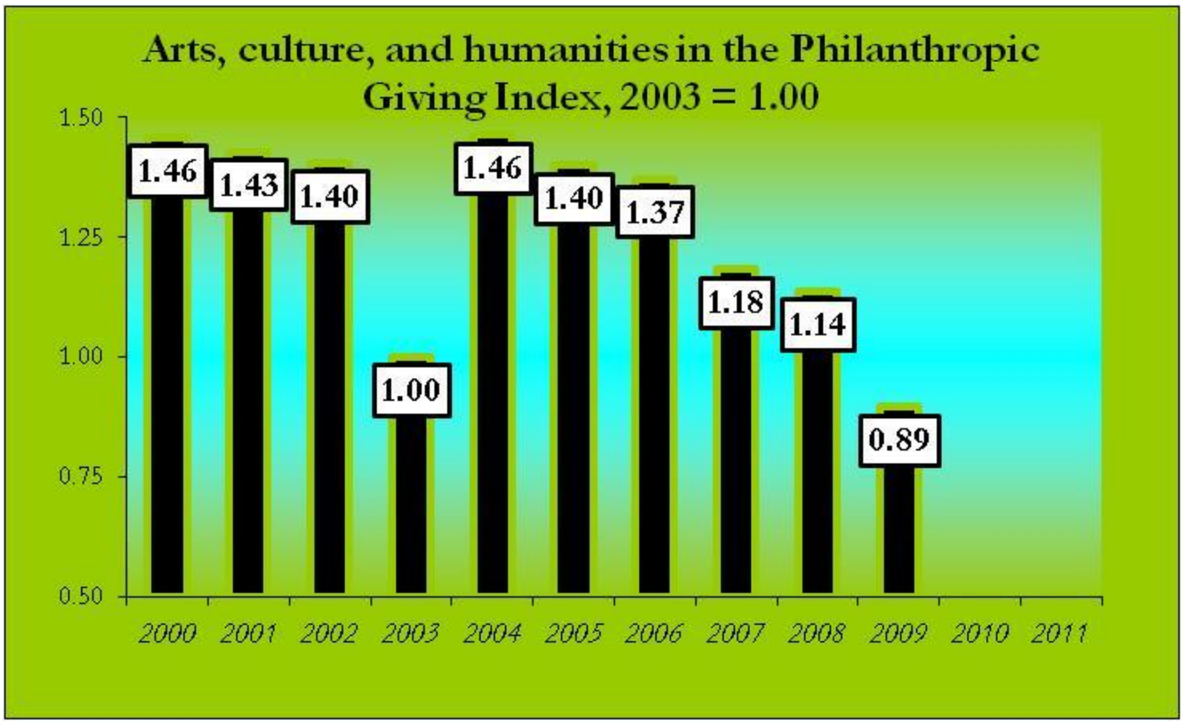


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total corporate philanthropy ($M)	3,913	4,473	4,451	5,727	6,392	7,783	7,912	8,641	8,008	6508	5,007
Total corporate giving to the arts ($000)	346,527	372,394	354,092	313,465	298,647	352,841	391,911	400,009	326,190	272,015	217,840
Percent of corporate 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

Roland J. Kushner, Ph.D., is associate professor of business at Muhlenberg College in Allentown, PA, where he teaches courses in 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*, 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.

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 905,000 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 CNN, CNBC, and NPR. His board work includes the Takoma Park Arts & Humanities Commission, a municipal agency which he chaired for three years.

About Americans for the Arts

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.

National ArtsIndex

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