

NATIONAL ARTS INDEX

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



2014
Report



ArtsIndex

A Project of **Americans for the Arts**

**NATIONAL ARTS INDEX 2014:
AN ANNUAL MEASURE OF THE
VITALITY OF ARTS AND CULTURE IN THE
UNITED STATES: 2001-2012**

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INTRODUCTION

This is the fifth 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 2014 National Arts Index is a highly-distilled measure of the health and vitality of arts in the U.S. It is composed of 81 equally-weighted, national-level indicators of arts and culture activity during the 12-year span of 2001 to 2012, set to a baseline of 2003= 100.

Indicators are ubiquitous in our society, providing regular updates on areas of broad interest like the stock market or the overall economy. They 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), with 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 represents the diverse character of the arts, its nonprofit and commercial organizations, individual artists, 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 remain 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: so they can deliver these valuable benefits. It is this health of the arts industries, and their ability to sustain themselves 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 as the U.S. experienced the effects of the Great Recession, but with little clarity about how bad it would be for the arts. This 2014 report, fifth in the series, documents how the nation's arts sector fared pre-, during, and post-Recession.

While the National Arts Index annual score is a single number, the full report contains extensive detail on the many forms of arts and culture activity measured by the 81 indicators. The Table of Contents gives a quick view of all indicators. The data for these come from highly-reliable sources in the federal government and private-sector organizations. Past indicator values are monitored and updated as sources revise historic data. Revisions, availability of new data, and expiry of other series all make the Index dynamic. Three new indicators are added in 2014 on the arts share of the U.S. economy, how Americans use their time in the arts, and the value of long-lived artistic assets. However, seven indicators used in past reports are no longer available for 2011 or later.

All of the data are contextualized 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 shrank along with it—did the arts shrink more or less than the rest of the economy (see Indicator #58)?

The 81 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 2012, the sector included 2.1 million artists in the U.S. workforce, 749,000 self-employed artists, 91,000 nonprofit arts organizations and 800,000 additional arts businesses, as well as hundreds of millions of arts consumers and audiences spending \$151 billion. This report goes beyond individual stories about stabilization and sustainability in the arts, or declining demand and closing organizations, or about individual communities and regions, or the challenges and triumphs of specific art forms. The Index presents these stories as part of a broad evidence-based platform about the arts at a national level. What this context shows is that along with the rest of the economy, the arts have recovered slowly and unevenly—but that as of 2012, their recovery was underway.

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EXECUTIVE SUMMARY

The 2014 National Arts Index delivers a score of the health and vitality of arts and culture in the United States covering the 12-year span of 2001-12. The National Arts Index is composed of 81 national-level indicators—the latest annual data produced by the federal government and private research organizations. It is set to a base score of 100 in 2003; every point difference is a one percent change from that year. This year’s report provides the fullest picture yet of the impact of the Great Recession on the arts—before, during, and after. The National Arts Index score grew in 2012 to 97.3, an increase over a revised 2011 score of 96.2. The impact of the Great Recession of 2008-09 on the arts was swift and measurable: the four-year drop from 2007-11 doubled the five-year gains made between 2002 and 2007 (-6.6 vs. +3.4 percentage points, respectively). As of 2012, a recovery seems to be underway.

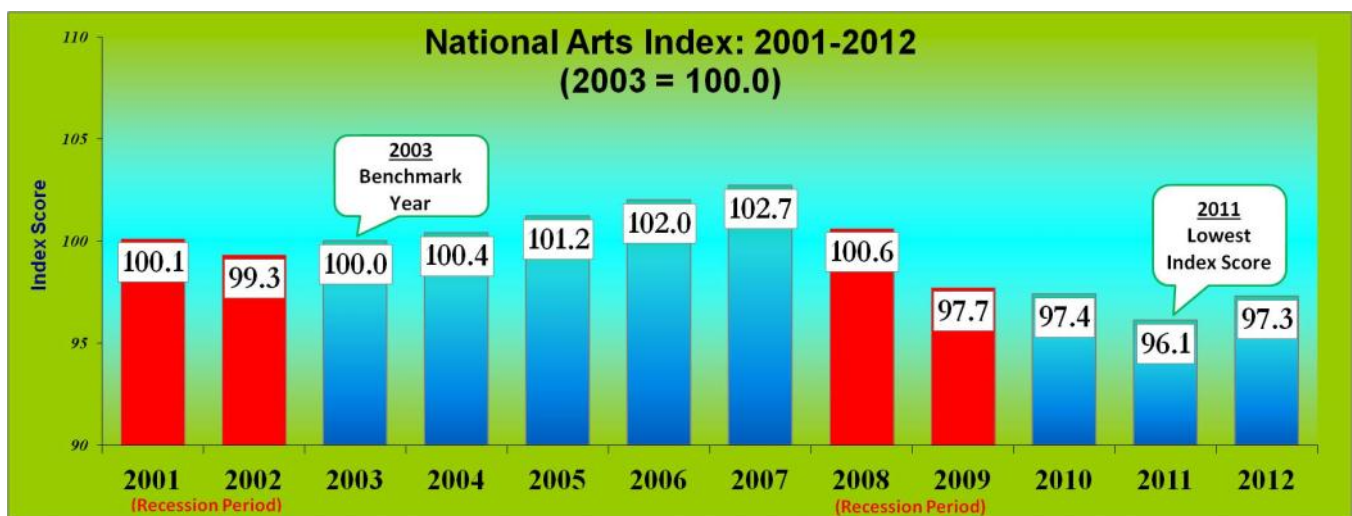


FIGURE A. NATIONAL ARTS INDEX

Like many sectors of the economy, the arts recovered slowly and unevenly from the recession due to industry contraction and consolidation, the impact of technology, slow rebounds in philanthropy, and tepid consumer spending. During the economically robust years of 2002-06, more than 50 percent of the indicators increased annually. Between 2007 and 2009, however, less than one-third of the indicators increased. In a key sign of system improvement, the majority of indicators increased from the last National Arts Index report to this one.

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

CHAPTER 1. KEY FINDINGS FROM THE NATIONAL ARTS INDEX

The National Arts Index summary score of 97.3 in 2012, 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 81 indicators, individually and in various groups. Four in particular are noted first, followed by some patterns in audience engagement, and other continuing trends and challenges.

- 1. The arts' recovery from the Great Recession did not begin until 2012:** The arts are an economic force in the United States: 91,000 nonprofit arts organizations and 800,000 more arts businesses, 2.1 million artists active in the workforce, 720,000 self-employed artists, plus \$151 billion in consumer spending. Figure A shows the Index growing in the middle part of the past decade when the economy was growing, with declines in two recent economic downturns, and growing slowly with economic strengthening. It appears the economic recovery that started in 2009 did not positively affect the arts sectors until 2012.
- 2. Arts nonprofits continued to experience financial challenges:** The percentage of arts organizations operating at a deficit has ranged from 36 percent in 2007 (during a strong economy) to 45 percent in 2009 (the deepest part of the recession). In 2012, a time of improved economic health, 44 percent of arts nonprofits still failed to generate positive net income—a figure that raises concerns about the long-term sustainability of arts organizations that are unable to achieve a break-even budget.
- 3. Arts attendance remains fluid:** In 2012, 32 percent of the adult population attended a live performing arts event, the same as in 2010, but much less than the 40 percent of 2003. Art museums attendance also held steady with 13 percent of the population attending at least once (down from 15.5 percent in 2003). Overall, attendance at theatre, opera, and movies increased in 2012 over 2011, while audiences for symphony got 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.
- 4. Total charitable giving and overall employment help explain the health of the arts sector:** For the 10-year period between 2002 and 2011, two economic forces were strongly correlated to the overall National Arts Index: (1) total private giving to all charities, and (2) the overall number of workers in all occupations. This combination of factors explained a robust 75 percent of the change in the Index value from 2003-2012. 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 consumers, and are financially more able to 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 2013 and 2014 are promising signs for the arts.

CHANGES IN AUDIENCE ENGAGEMENT

How the public participates in and consumes the arts is ever-expanding. Tens of millions of people attend concerts, plays, operas, and museum exhibitions every year—and those that go frequently attend more than once and enjoy multiple art forms (sometimes called the “cultural omnivore”). Digital tools afford consumers access to more personally-curated engagement in their arts experiences. Technology lets consumers select

between in-person participation and experiences as well as remote 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 is changing audience engagement and the arts delivery models:** The effects of technology have been undeniably swift, but it depends where one sits on the arts production-to-consumption food chain as to who the winners and losers are. For example, since 2003, half of the nation's CD and record stores have disappeared. The public, however, has hardly stopped listening to music. Annual data about downloads was not even collected until 2004, yet in 2012 it accounted for 40 percent of total music industry sales, and recent evidence shows that it has grown since then. "Access models" from providers like Pandora and Spotify represent an additional 15 percent of recording revenues. Similarly, bookseller revenues are down even though the number of books in print is increasing, thanks to more self-publishing, print on demand, eBooks, and downward pressure on prices. Savvy nonprofit arts organizations are using technology to broaden their audience base and enrich the audience experience, like the successful Metropolitan Opera simulcasts (2,000 theaters in 66 countries and 3 million tickets sold annually). As ever, technology can be a two-edged factor. There is concern that simulcasts of the arts are cannibalizing live attendance. While growing evidence suggests that this is not the case, nor does it seem to provide a bridge to increased live attendance. Technology has even altered the business model for artists. More musicians now deal directly with consumers via websites—selling songs to fans and even allowing them to vote on touring venues—thus bypassing traditional record labels and ticket services.
- **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 officers. 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 to 17.4 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 who take four years of arts or music average about 100 points better on the verbal and math portions of the SAT, compared to those with a half-year or less.
- **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 137,000 between 1997 and 2012. 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 \$151 billion:** Since 2002, discretionary consumer spending on the arts (e.g., admissions, musical instrument purchases) has remained in the \$150 billion range. Because total consumer spending increased over time, however, the arts' share slipped from 1.83 percent in 2002 to 1.35 percent in 2012. 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 2002 and 2012, audiences were treated to more than 10,000 new works—over 130 new operas, 1,342 orchestral works, 2,744 plays, and almost 5,900 movies. Regardless of the economic cycles, America’s arts industries continued to produce new and exciting work for their audiences.

CONTINUING TRENDS AND CHALLENGES

- **U.S. cultural destinations helped 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 28 percent), while the share attending “concerts, plays, and musicals” increased from 13 to 18 percent since 2003.
- **The arts helped reduce the U.S. international trade deficit.** U.S. exports of arts goods (e.g., movies, paintings, jewelry) increased from \$64 to \$75 billion between 2010 and 2012, up 17 percent. With U.S. imports at just \$25 billion, creative goods delivered a \$48 billion trade surplus in 2012, when the total U.S. trade deficit for the year was \$537 billion.
- **Arts and culture is starting to regain its market share of philanthropy.** This year’s report shows the share of philanthropy going to the arts increasing for a second consecutive year, from 4.3 percent in 2010 to 4.6 percent in 2012. There is still much ground to make up, considering the 4.9 percent share in 2001. As noted in the key findings, overall philanthropy correlates strongly with the health of the arts. Philanthropy has grown stronger since 2012, 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 14 percent in the number of working artists from 1996 to 2012 (1.99 to 2.18 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 2012 (509,000 to 749,000).
 - ✓ 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 \$53,000.
- **Government arts funding struggles continued in 2012.** Funding of the whole suite of federal arts-related agencies stayed very close to historic highs of previous years at \$1.86 billion. Funding of the National Endowment for the Arts decreased to \$155 million in 2011, and total arts funding dropped from 0.40 percent of federal domestic discretionary spending to 0.30 percent between 2002 and 2012. 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 arts funding dropped to historic lows in 2012 dollars, in share of total expenditures, and per capita, while municipal arts funding in 60 of the largest US cities grew.
- **Millions of Americans spend their time in the arts.** Three Index measures show the range of volunteer engagement in the arts. Volunteering at an arts organization was the choice of service for 2.1 million people in 2011, up 15 percent from 1.8 million in 2010. This amounts to 24 volunteers for every nonprofit arts

organization in the country! In another federal study of volunteerism, 6.2 million Americans say that arts activities (such as playing music) are their main volunteering activities, regardless of type of organization they volunteered for (a school or church, for example). Consistently, about three percent of Americans spend time engaged in the arts every day, and those who do spend about 2.85 hours a day.

- **There is new evidence on the big impact of the arts on the economy.** Two new data series prepared by the federal government illustrate the significant role of the arts in the macro economy. As one part of a periodic revision of the national income accounts, certain kinds of long-lived artistic assets, including creations like television shows and movies, are now formally counted as part of the nation’s assets. A second new series measures the value added to GDP by arts and culture activities, and estimates it at about \$504 billion, or about 3.25 percent of the \$15.5 trillion U.S. economy.

CHANGES IN NATIONAL ARTS INDEX INDICATORS IN 2014

Three new indicators help this year’s report paint a clearer picture of the arts’ role in the life of the nation—the enduring wealth they create, how people use their time in the arts, and the arts’ impact on the overall economy.

1. Artistic assets in the national income accounts (Indicator # 32)
2. Engagement in the arts (Indicator # 35)
3. Arts share of Gross Domestic Product (Indicator #58)

Seven data series shown in past National Arts Index reports are not available for 2011 and beyond, and have thus been “retired.” Their prior year values are still available in Appendix F.

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 2001. Chapter 2 provides detail on how the Index data were assembled, and it presents the “Arts and Culture Balanced Scorecard” model as a way to frame the information using four broad dimensions: (1) measures of financial flows into and through the arts, (2) the capacity of the arts to deliver service, (3) levels of arts participation, and (4) the competitiveness of the arts. Chapters 3 through 6 report on each of these four dimensions of the model as well as the 81 individual indicators. 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 new stories about the systemic character of the arts, and the ways in which the elements of the arts ecology interact with each other. We introduce the ways in which we saw the benefits produced by the arts and the systematic approach we took to measuring them.

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

THE DATA IN THE NATIONAL ARTS INDEX

To best explain this model, we start by briefly describing the data used to compute the National Arts Index. The 2014 Index is composed of 81 indicators of arts and culture activity, measured annually at a macro, national level. We report and analyze each individual indicator in a standard format for the years from 2001 to 2012 (we also maintain 1996-2000 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, which 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 with each other. We organized them so that every individual indicator is associated with only one of the four main dimensions of the ACBS model. These four are shown in Figure B:

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

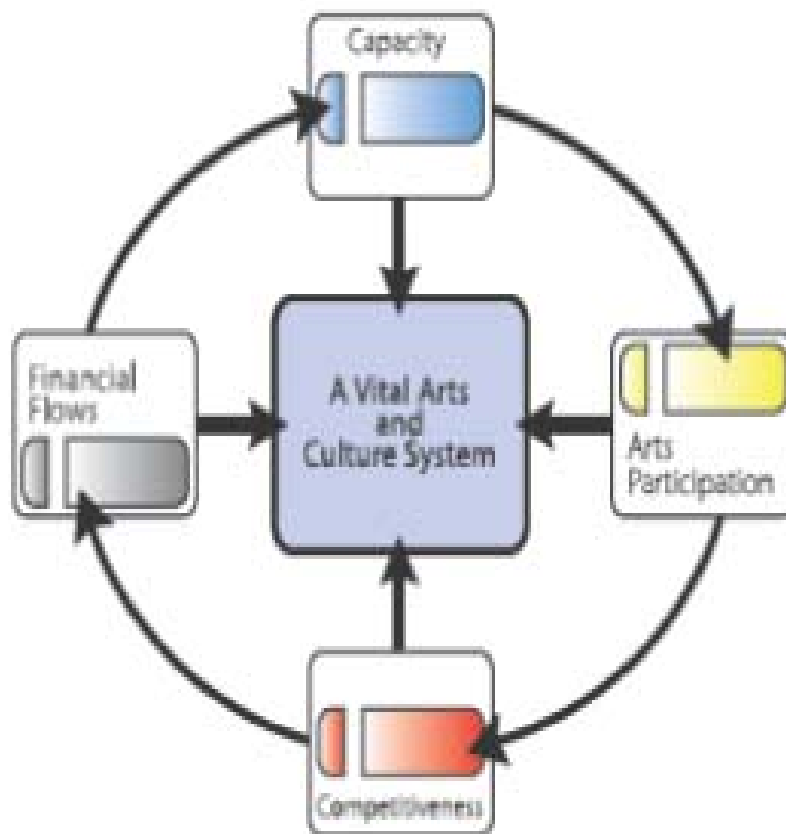


FIGURE B. THE “ARTS AND CULTURE BALANCED SCORECARD”

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

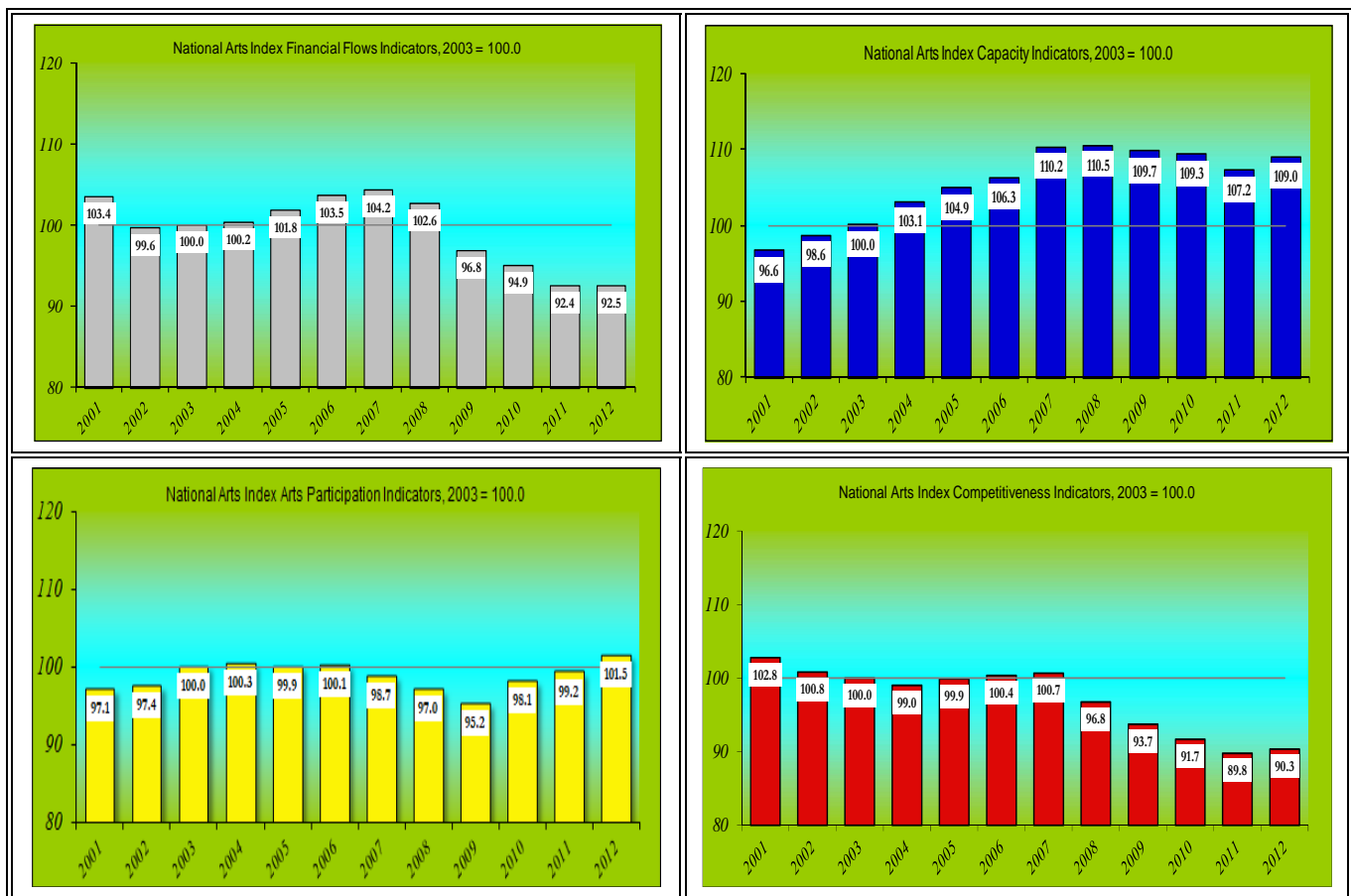


FIGURE C. THE ARTS AND CULTURE BALANCED SCORECARD DASHBOARD (2003 = 100)

1. Financial flows into the arts (gray, top left quadrant) 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 and 2012.
2. In the 2000s, more and more capacity has been added to the arts (blue, top right quadrant), in numbers of artists, individuals in the workforce, nonprofit arts organizations and arts businesses and other entities that create infrastructure. Growth leveled off starting in 2007, and 2012 saw the first increase in capacity.
3. The level of arts participation (yellow, bottom left quadrant)—especially attendance—dropped in the early 2000s, grew gradually from 2002 through 2006, fell through 2009, and then improved in 2010-2012 on a range of indicators to a new 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 four straight years before stabilizing in 2012. In this dimension, the expanding U. S. population has a noticeable effect because participation and attendance are measured from a market share perspective.

DIMENSIONS AND INDICATORS IN THE ACBS

The 81 indicators were assigned to ACBS dimensions as follows:

TABLE 1. INDICATORS IN THE ACBS

Dimensions	Financial Flows	Capacity	Arts Participation	Competitiveness	Total
Indicators	17	15	22	27	81

Chapters 3 through 6 present summaries of each of the four dimensions in turn, along with detailed data that comprise the 81 individual indicators from 2001 to 2012. All indicators associated with each dimension are presented together and reported with the following:

- A list of specific indicators that comprise that dimension for 2012.
- A column chart showing the average of those indicators for years 2001 through 2012 with available data, indexed against the 2003 value, and then multiplied by 100. All scores are calculated by dividing every year's indicator value by its value in 2003, which makes the 2003 score for any dimension equal to 100.0. They are averages, giving equal weight to each indicator within each dimension for every year.
- The number of indicators for which data was available in each year.
- A brief discussion of how the indicators in that dimension changed from 2001 to 2012.

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 2001 to 2012, 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 2001 to 2012. The upper lines in the table show the raw data used, and any calculations or adjustments. The second-to-last line has the numbers used to make that index score, with each year's number divided by the number in 2003. The last line of each table is the resulting Index score for each year. It is this Index score that is displayed in the column chart.
- For indicators using specific codes (as for industries and occupations), the codes are in the appendices.

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

CHAPTER 3. FINANCIAL FLOWS INDICATORS

Financial Flows is the first of the ACBS dimensions. For 2012, it is made up of 17 Financial Flows indicators, all expressed in inflation-adjusted or “constant” 2008 dollars. These indicators measure how revenues entering the sector come from customers, donors, and public support, and are used to finance nonprofit and commercial arts activities. The ordering of the indicators is (roughly) in a sequence of individual arts workers’ income, business income, nonprofit income, private philanthropy, and government funding.

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

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
12	15	17	17	17	17	17	17	17	17	17	17

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

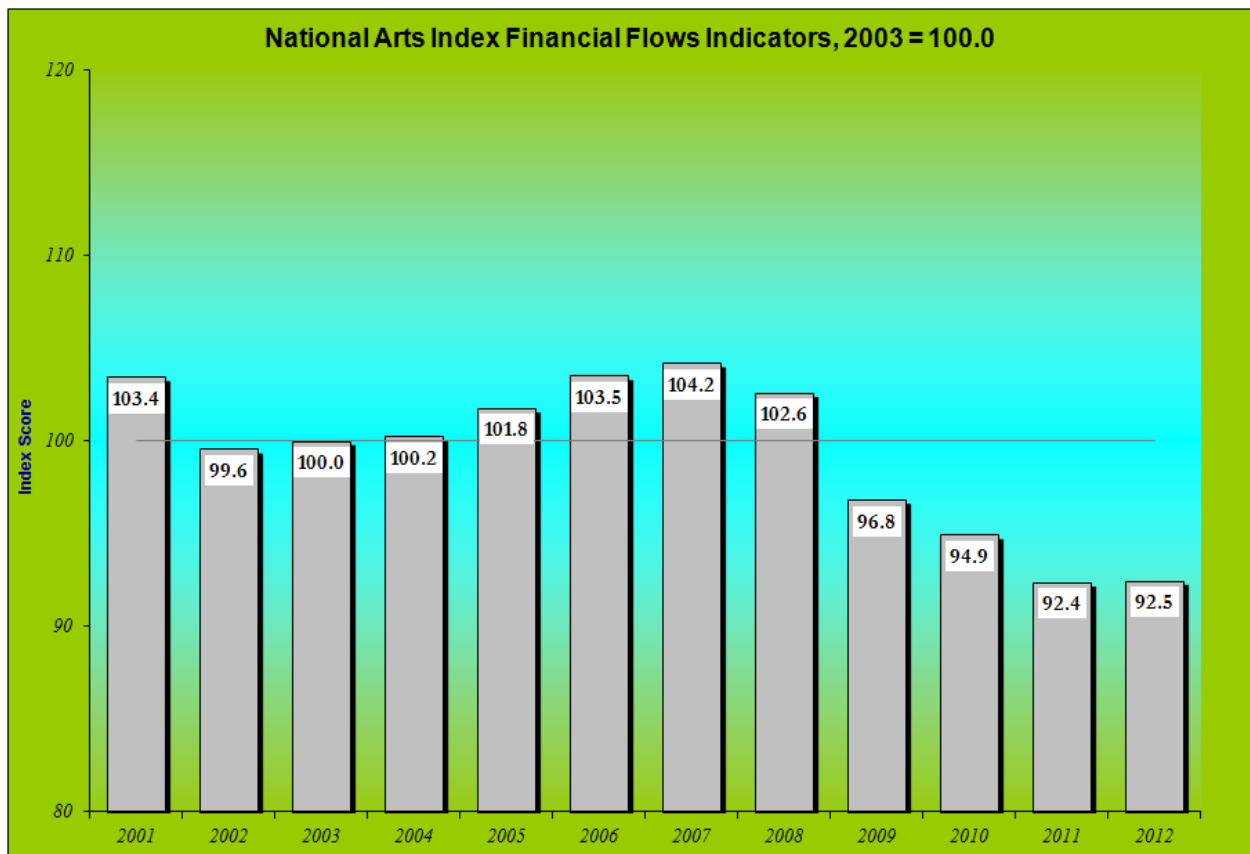


FIGURE D. NATIONAL ARTS INDEX FINANCIAL FLOWS INDICATORS (2003 = 100.0)

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 2012, which compounded to a total change of about 30 percent. In 2012, this meant that almost 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 an especially negative effect in arts sectors facing declining sales; this can be seen in indicators measuring publishing, bookselling,

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

Cumulatively, the 17 Financial Flows indicators show that the sharp decline in the Financial Flows dimension in 2010 stabilized in 2012 at a score of 92.5—part of a slow, but consistent, recovery from the Great Recession. This implies that financial flows measured in the selected indicators are cumulatively about 7.5 percent below their levels in the base index year of 2003.

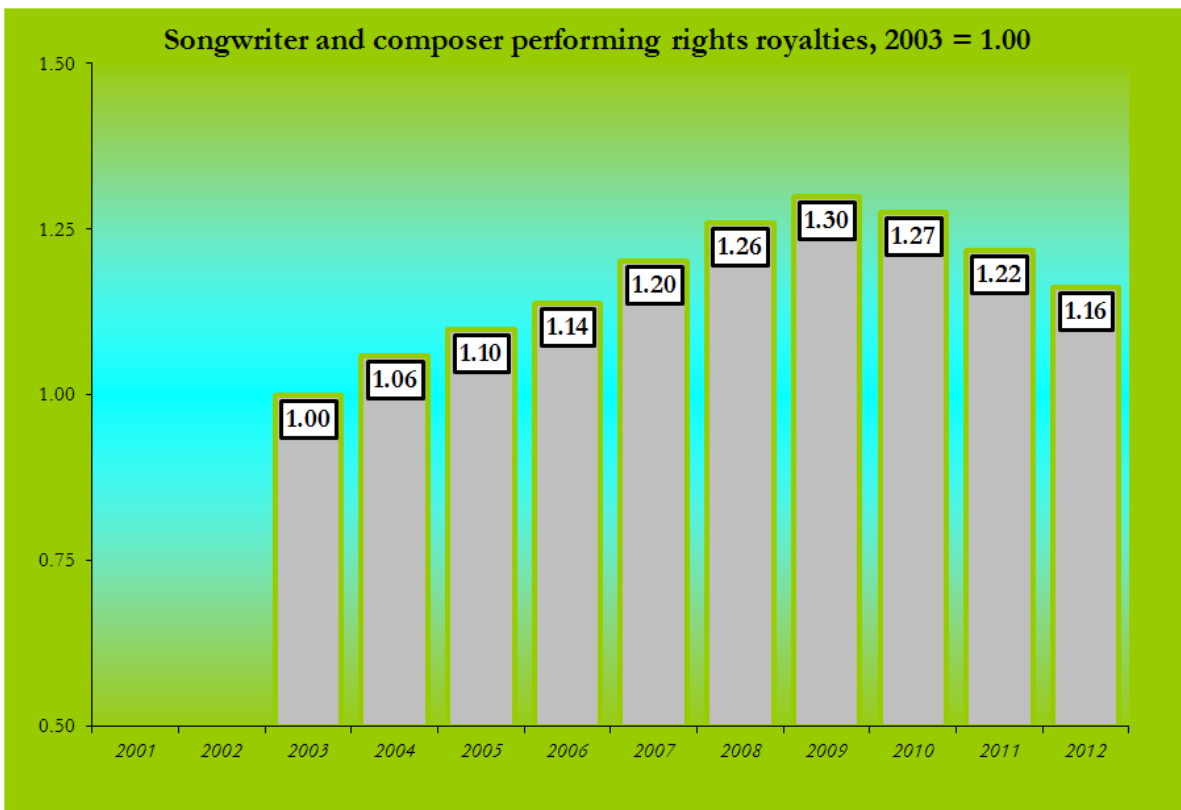
The following 17 pages provide additional detail on what has been an uneven flow of resources available to arts and culture. Considered together, these indicators confirm in specific terms that the reduction in resources flowing into the arts industries has at least slowed, and possibly turned around.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

The individual indicators described in the following 17 pages result in a Financial Flows score of 92.5 for 2012, based on five indicators that increased over 2010, one that stayed the same, and 11 that decreased.

1. SONGWRITER AND COMPOSER PERFORMING RIGHTS ROYALTIES

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

This indicator measures total songwriter/composer royalties paid by ASCAP and BMI in constant 2008 dollars. This royalty stream has decreased \$1.48 billion followed by annual growth between 2003 and 2009 reaching a peak of \$1.65 billion. However, this is not a complete picture of the royalties available from copyrighted music and may miss revenue streams for internet streaming, other emerging media, and other applications. Established royalty streams are less influential as listeners shift from broadcasting and mechanical reproduction to streaming and downloads.

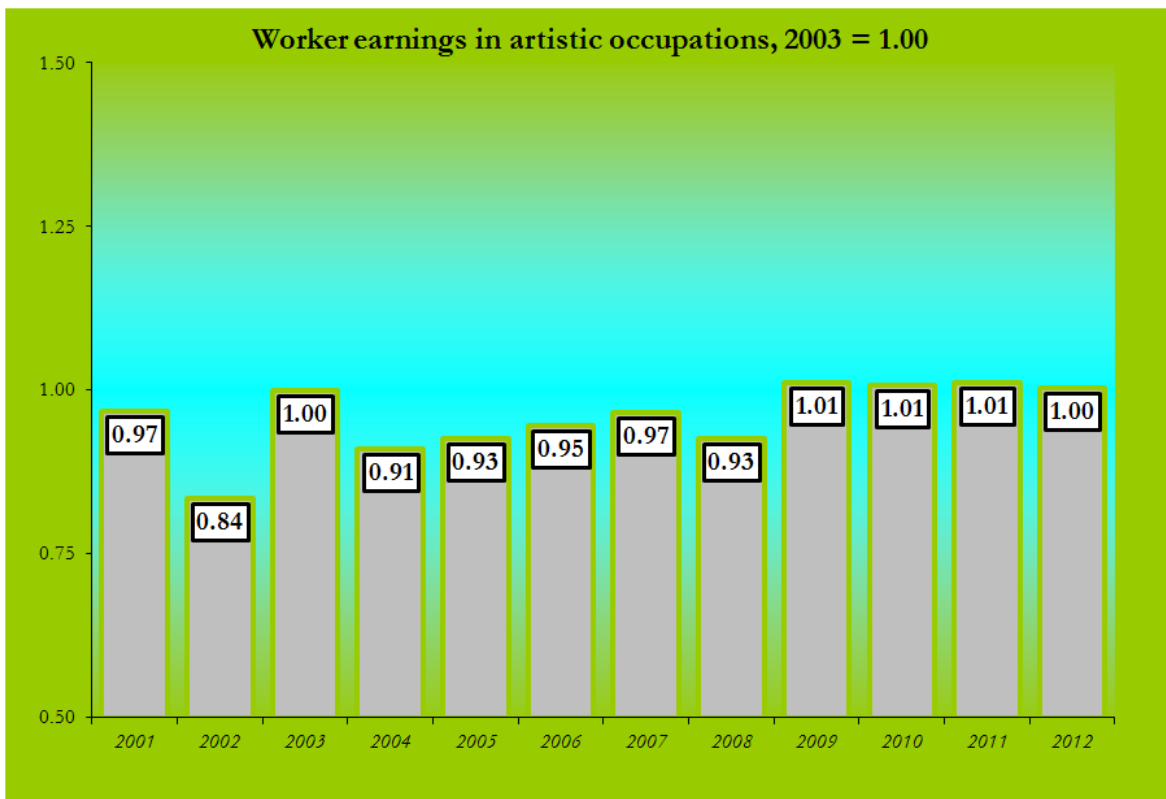


	2001-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
ASCAP performing rights royalties (\$M)		531	610	645	680.3	741.6	817	860	846	822	827
BMI performing rights royalties (\$M)		556	573	623	676	732	786	788	796	796	750
Total ACAP and BMI royalties paid (\$M)		1,087	1,183	1,268	1,356	1,474	1,603	1,648	1,642	1,618	1,577.0
CPI at 2008 = 100.0		85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5	106.6
Constant dollar performing rights royalties (\$M)		1,272	1,348	1,398	1,448	1,530	1,603	1,654	1,621	1,549	1,479
Indexed to 2003 = 1.00	N/D	1.00	1.06	1.10	1.14	1.20	1.26	1.30	1.27	1.22	1.16

2. WAGES IN ARTISTIC OCCUPATIONS

Employment can be classified in more than one way—for example, some indicators in this report are based on the North American Industrial Classification System industry classification, which groups employees by the type of company for which they work. Defining work by occupation gives a more complete picture of how people work in the arts. The Bureau of Labor Statistics (BLS) groups workers using the Standard Occupational Code system (SOC). The SOC system has approximately 450 separate occupational types, of which 46 are substantially related to arts and culture (see Appendix B). Note that not all artistic workers are in the arts industry, for example floral designers in flower shops are artistic workers, but would not be counted as such in an industry count, because those businesses aren't typically considered to be arts businesses.

This indicator measures the average annual salary of workers 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. With consumer prices rising about 30 percent from 2001 to 2012, wages adjusted for inflation rose only four percent over that same span, but have been static in recent years, staying very close to \$50,000.

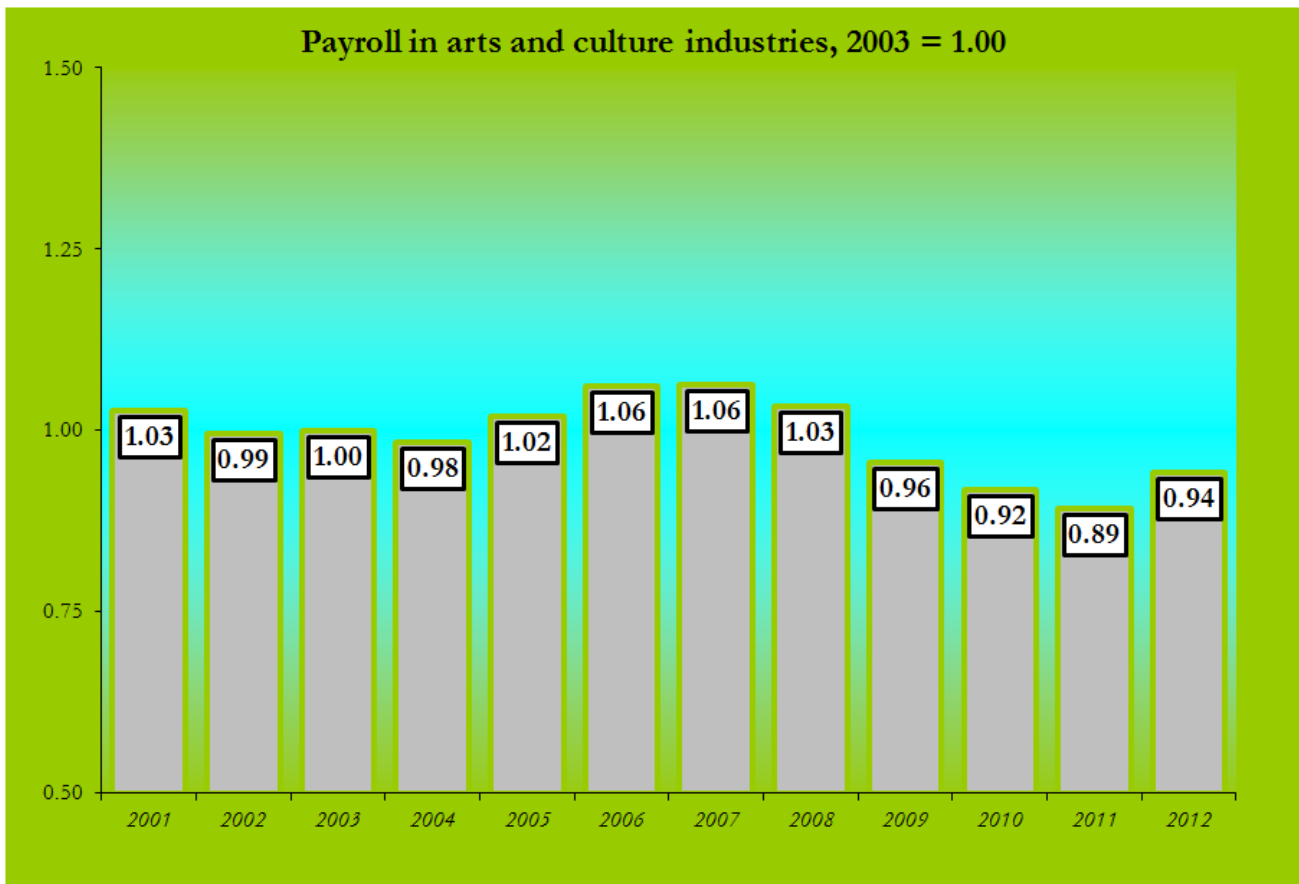


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Average earnings in 46 artistic occupations (\$)	39,333	41,320	42,261	39,479	41,525	43,801	46,006	45,825	49,843	50,438	52,288	52,883
CPI at 2008 = 100.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100	99.6	101.3	104.5	106.6
Constant dollar average annual earnings in 45 artistic occupations (\$)	47,817	41,320	49,450	44,997	45,777	46,778	47,772	45,825	50,021	49,800	50,047	49,591
Indexed to 2003 = 1.00	0.97	0.84	1	0.91	0.93	0.95	0.97	0.93	1.01	1.01	1.01	1.00

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 than it does for manufacturers.

This indicator measures constant dollar total payroll in firms in the arts and culture industries as defined by the 43 NAICS codes listed in Appendix A. NAICS has about 1,800 six-digit codes, of which 43 describe firms in the arts and culture industries. Data on numbers of employers, employees, and total payroll are available by NAICS from the Census Bureau in *County Business Patterns*. Total payroll grew from about \$78 billion in 2001 to \$94 billion in 2007 in current dollars. When inflation is factored in, the rise was more moderate: from \$95 billion to \$98 billion in constant dollars. The recession plainly affected arts payroll, which shrank to \$86 billion by 2011. 2012 saw the first increase in arts industry payroll in five years, in both current and constant dollar measures.

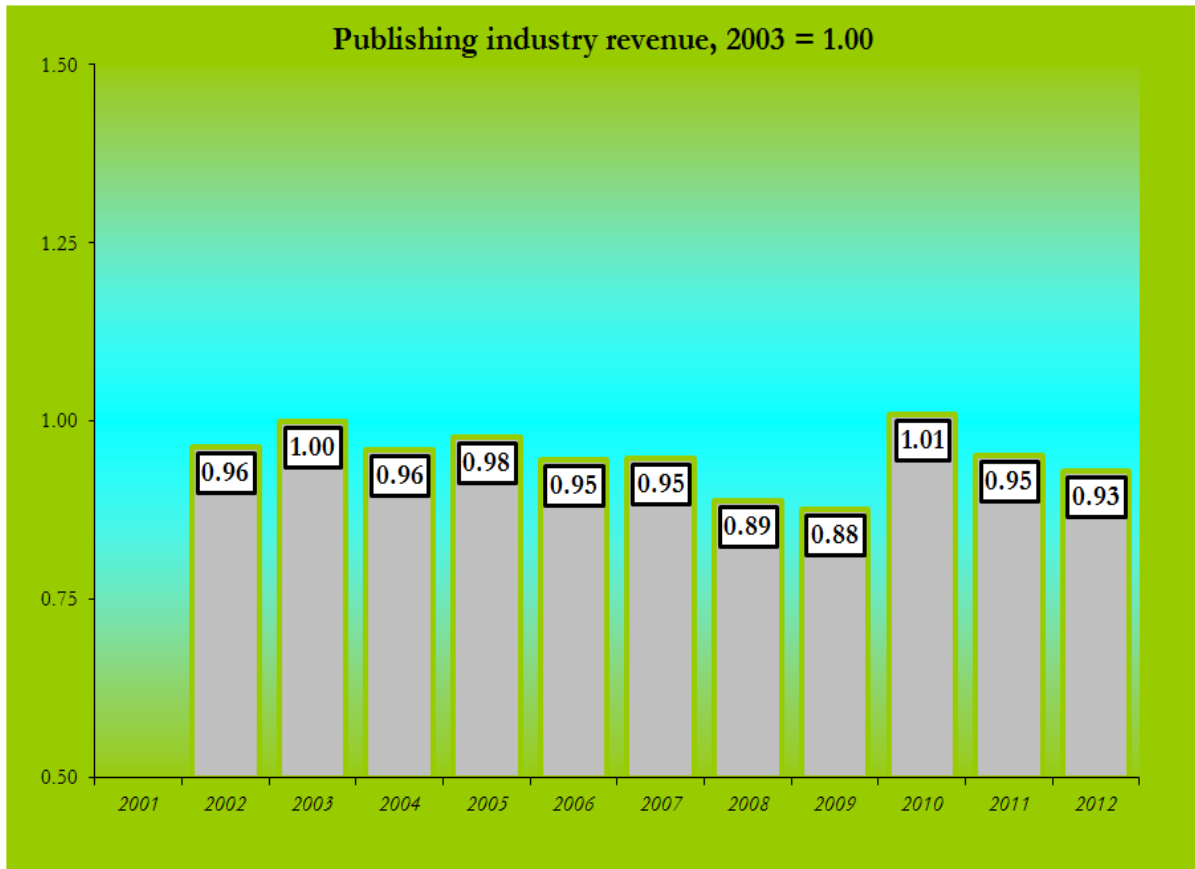


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Payroll in selected arts and culture NAICS codes (\$M)	77,866	76,583	78,722	79,481	85,167	91,573	94,302	95,239	87,706	85,683	85,887	92,448
CPI at 2008 = 100.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100	99.6	101.3	104.5	106.6
Constant dollar payroll in selected arts and culture NAICS codes	94,662	91,652	92,113	90,589	93,889	97,797	97,921	95,239	88,018	84,600	82,207	86,694
Indexed to 2003 = 1.00	1.03	0.99	1	0.98	1.02	1.06	1.06	1.03	0.96	0.92	0.89	0.94

4. PUBLISHING INDUSTRY REVENUE

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

This indicator tracks “Estimated Book Publishing Industry Net Sales,” adjusted to constant 2008 dollars. Current dollar net sales grew from 2002 to 2012, reaching \$27.1 billion. However, the effects of inflation over this time span counteracted the 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 through 2012, returning to pre-recession levels.

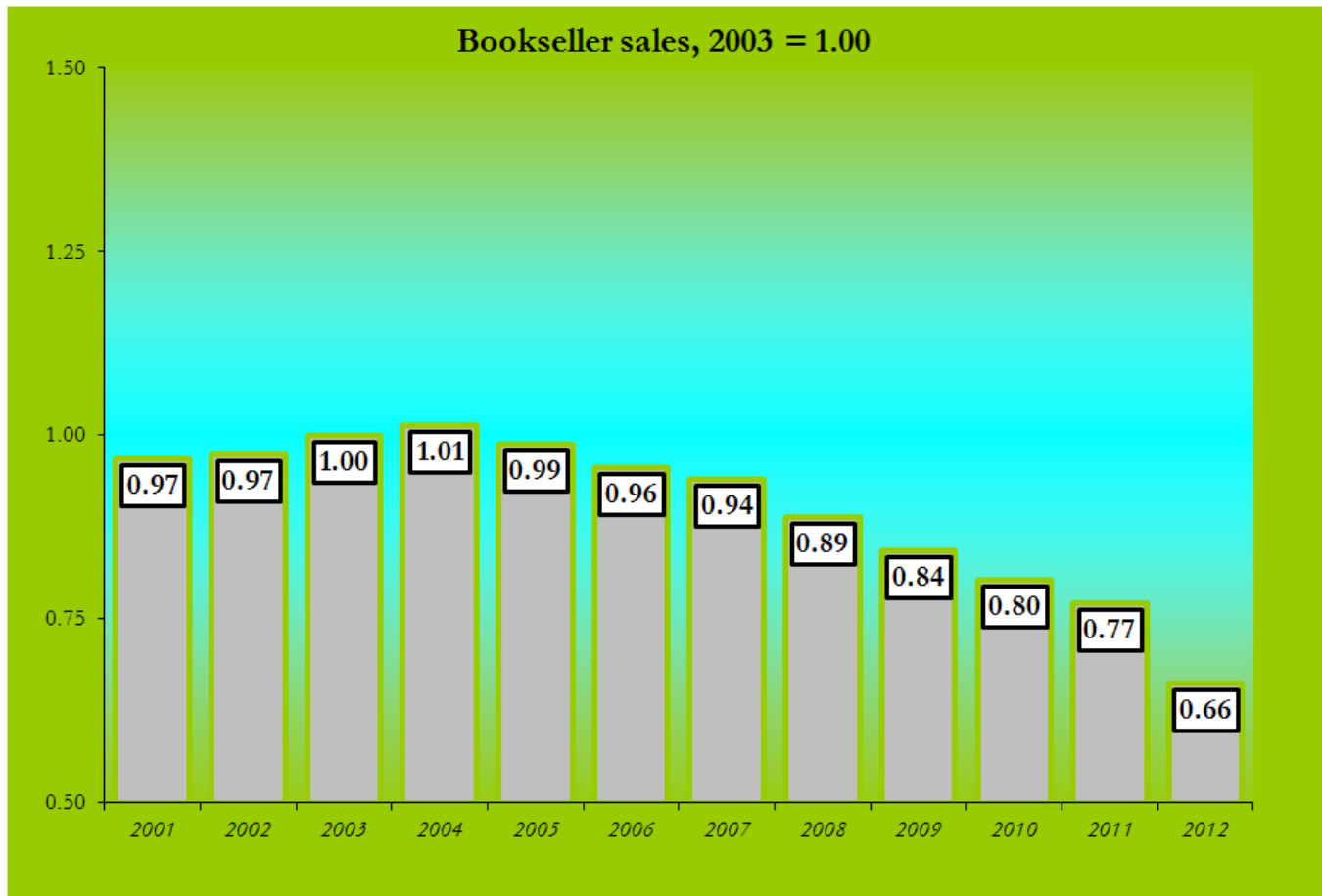


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Publishers' revenues (\$M)		22,033	23,358	23,006	24,263	24,197	24,960	24,303	23,856	27,940	27,200	27,124
CPI at 2008 = 100.0		83.6	85.5	87.7	90.7	93.6	96.3	100	99.6	101.3	104.5	106.6
Constant dollar publishers' revenues (\$M)	N/D	26,368	27,331	26,221	26,748	25,841	25,918	24,303	23,941	27,587	26,034	25,436
Indexed to 2003 = 1.00	N/D	0.96	1	0.96	0.98	0.95	0.95	0.89	0.88	1.01	0.95	0.93

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 2012. Note: historic data for this indicator has been revised by the Census Bureau.

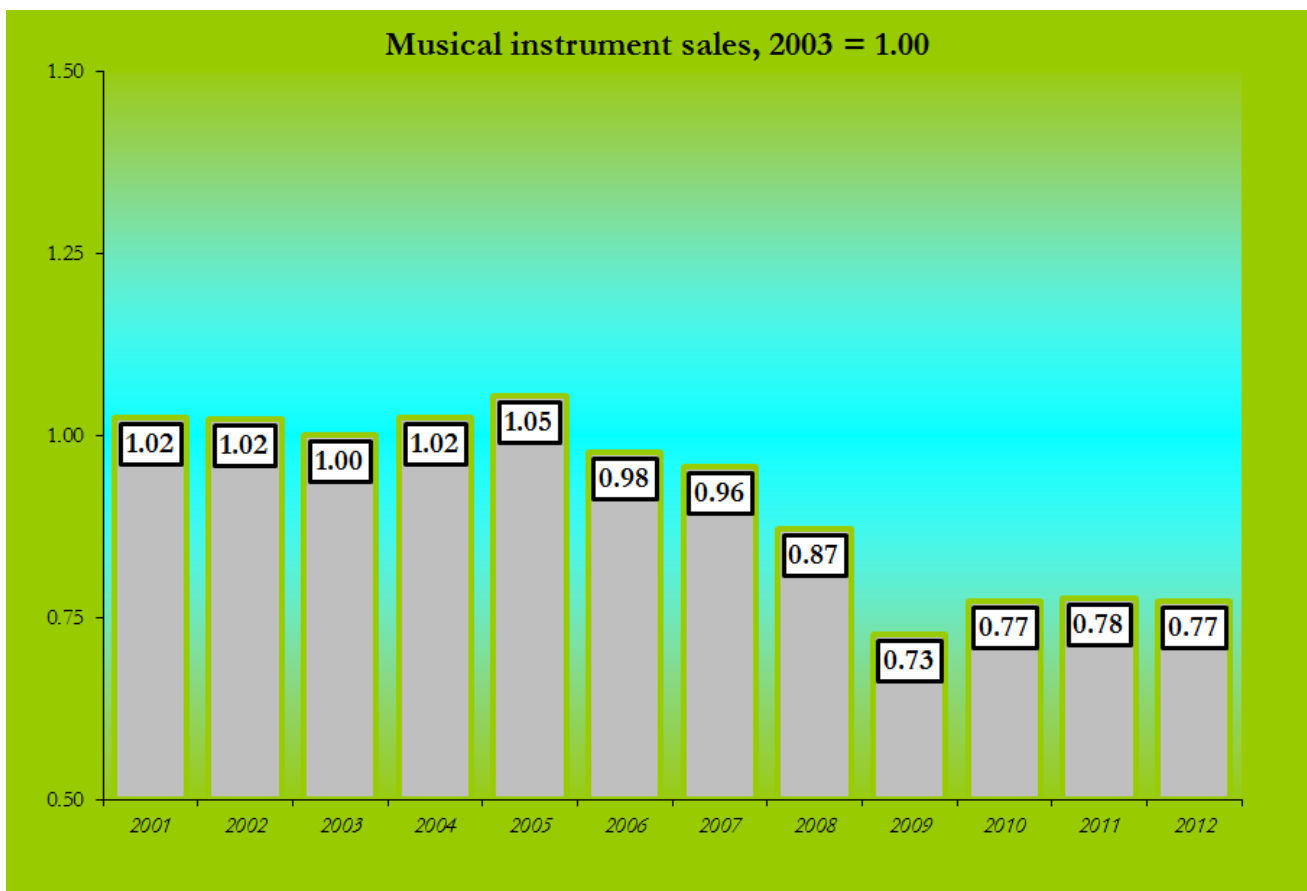


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bookstore (NAICS 451211) sales (\$M)	15,098	15,437	16,219	16,887	16,992	16,978	17,171	16,873	15,932	15,431	15,283	13,404
CPI at 2008 = 100.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5	106.6
Constant dollar bookstore sales (\$M)	18,355	18,475	18,978	19,247	18,732	18,132	17,830	16,873	15,989	15,236	14,628	12,570
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	0.66

6. MUSICAL INSTRUMENT SALES

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

This indicator measures total U.S. sales in these musical instrument and related categories, adjusted to 2008 constant dollars. 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. From 2010 through 2012, the market moved to (current dollar) sales of \$6.3 billion.

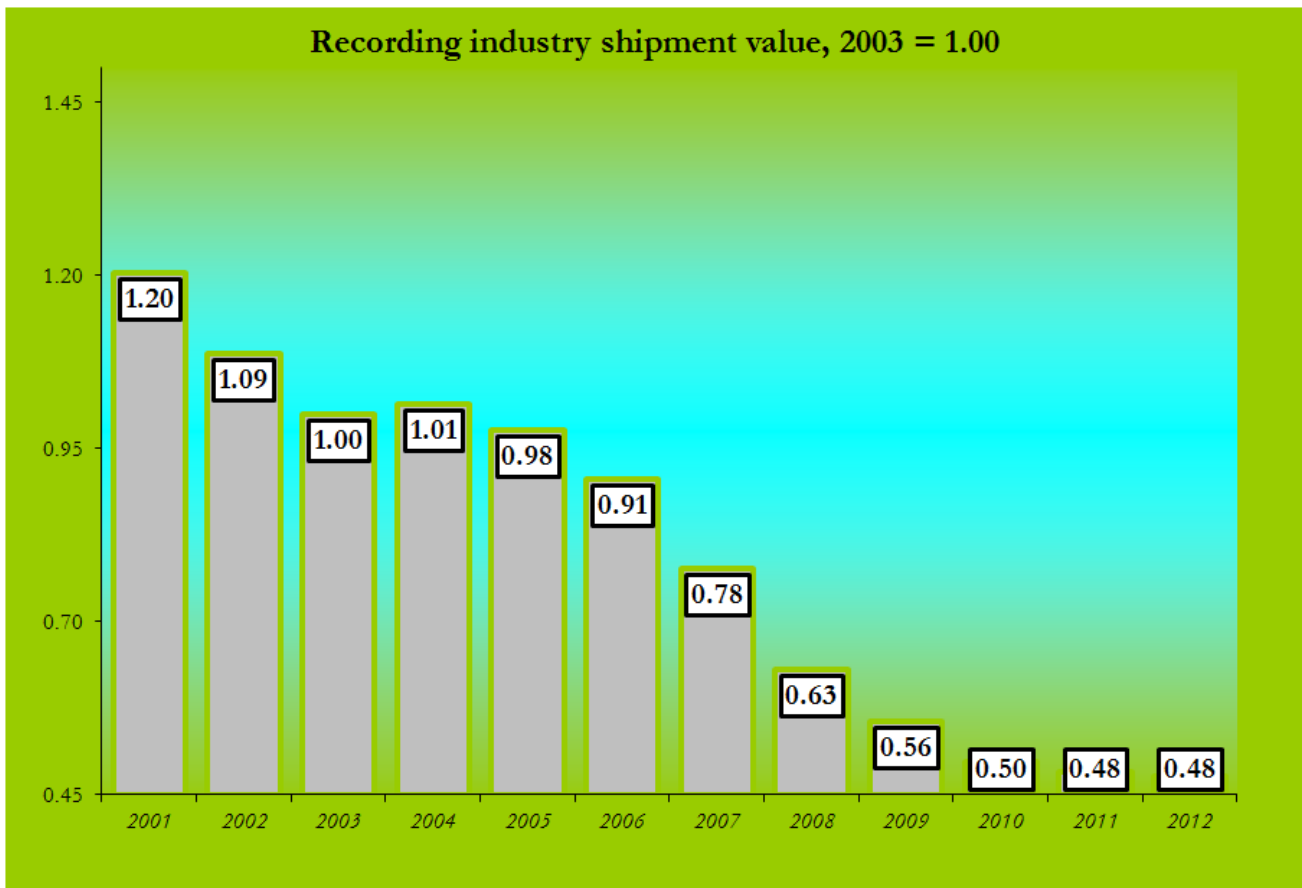


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Musical instrument and accessory sales (\$M)	6,894	6,984	6,990	7,354	7,810	7,483	7,538	7,128	5,911	6,390	6,630	6,740
CPI at 2008 = 100.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100	99.6	101.3	104.5	106.6
Constant dollar musical instrument and accessory sales (\$M)	8,381	8,358	8,179	8,382	8,610	7,992	7,827	7,128	5,932	6,309	6,346	6,320
Indexed to 2003 = 1.00	1.02	1.02	1	1.02	1.05	0.98	0.96	0.87	0.73	0.77	0.78	0.77

7. RECORDING INDUSTRY SHIPMENT VALUE

Recorded sound is the principal channel for music reaching listeners, through physical or digital media. Changes in the recording industry provided some of the most visible examples of how digitization of content and internet file transfers are reshaping the arts industries. The Recording Industry Association of America (RIAA) tallies units sold and value of units shipped in various forms: CD, Cassette, LP, DVD, music video, and download. RIAA statistics cite volume and shipment counts for uses of recorded music ranging from recorded CDs to cell phone ringtones and other applications. Because these different units are counted in many ways, and how digital uses of music continually evolve, there are very wide swings in product counts. Other RIAA data show that albums downloaded digitally increased from 4.6 million to 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 digital music sales, total industry revenues declined in most of the past years in current dollars, and sharply in inflation-adjusted dollars. 2012 current dollar shipment value was \$6.6 billion.

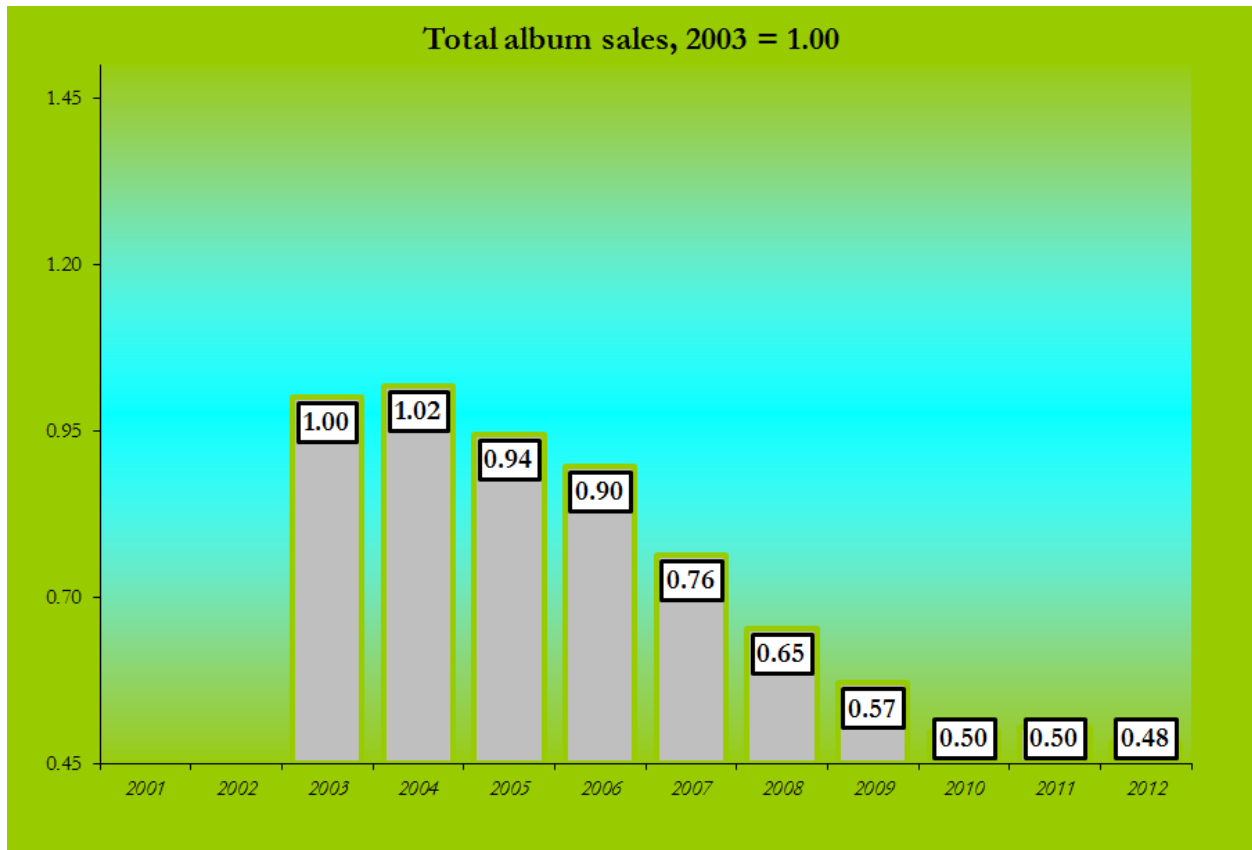


(\$ in millions)	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Recording industry digital and physical shipments (\$M)	13,741	12,614	11,854	12,345	12,297	11,758	10,372	8,768	7,684	6,995	7,008	7,066
CPI at 2008 = 100.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5	106.6
Constant dollar recording industry shipments	16,705	15,096	13,871	14,070	13,556	12,557	10,770	8,768	7,717	6,907	6,707	6,626
Indexed to 2003 = 1.00	1.20	1.09	1.00	1.01	0.98	0.91	0.78	0.63	0.56	0.50	0.48	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. Nonetheless, hundreds of millions of albums are still sold.

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

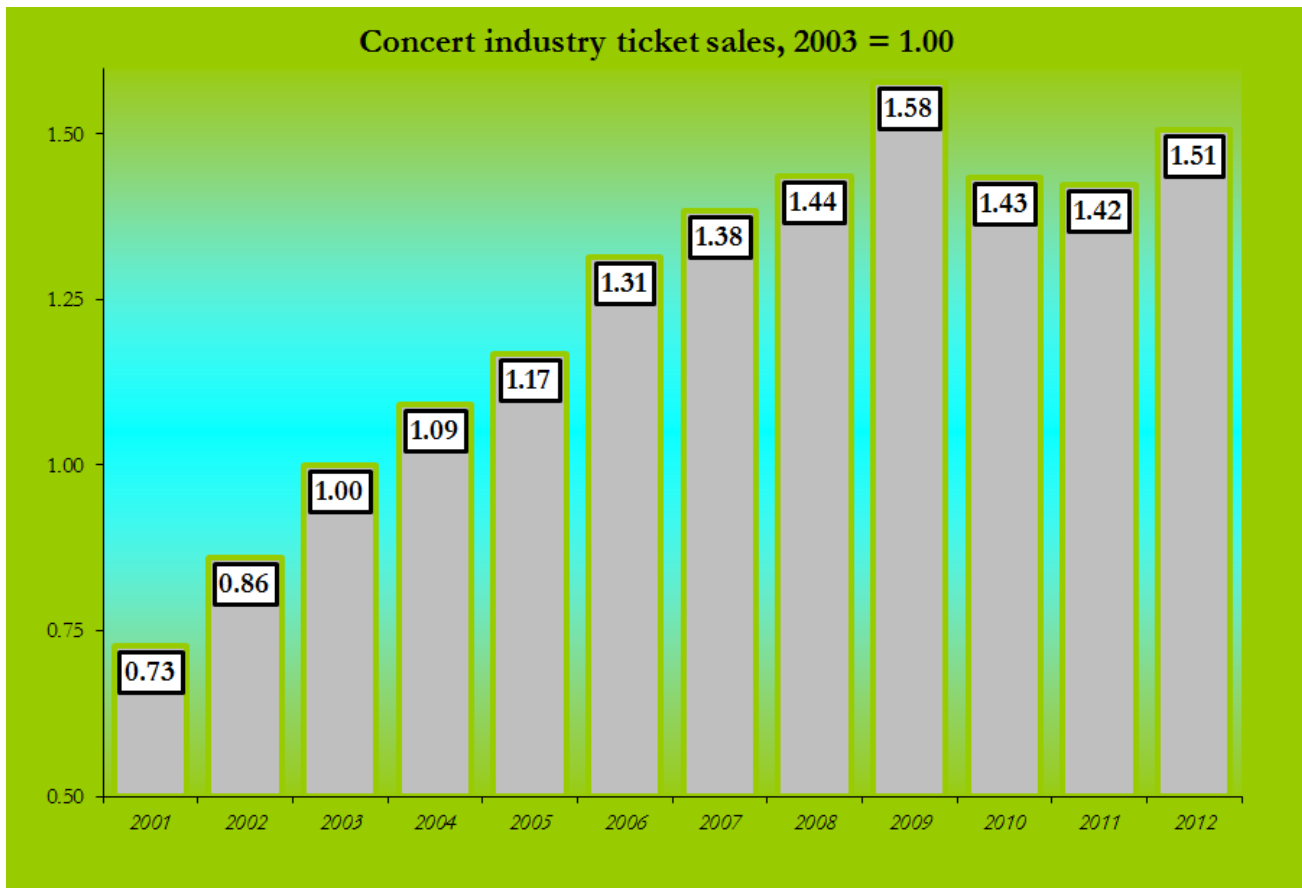


	2001-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Album sales (millions)		656.2	666.7	618.9	588.2	500.5	428.4	373.9	326.2	330.6	316.0
Indexed to 2003 = 1.00	N/D	1.00	1.02	0.94	0.90	0.76	0.65	0.57	0.50	0.50	0.48

9. CONCERT INDUSTRY TICKET SALES

The popular music concert industry has seen 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 2012 Year End Business Analysis, the top tours in the U.S. grossed \$2.53 billion at average prices of \$69 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, and while 2010 and 2011 showed concert industry revenues declining with other arts sectors, audiences lifted 2012 ticket revenues to a new high. 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.



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Popular music concert ticket sales (\$M)	1,750	2,100	2,500	2,800	3,100	3,600	3,900	4,200	4,600	4,250	4,350	4,700
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	106.6
Constant dollar popular music concert ticket sales (\$M)	2,127	2,513	2,925	3,191	3,417	3,845	4,050	4,200	4,616	4,196	4,164	4,407
Indexed to 2003 = 1.00	0.73	0.86	1.00	1.09	1.17	1.31	1.38	1.44	1.58	1.43	1.42	1.51

10. EXPORTS OF CREATIVE GOODS

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

This indicator measures the values of U.S. creative goods exports as defined in the SITC. These include arts and crafts, film and visual media, as well as visual and performing arts, publishing, and design. Its measurements include design-influenced products like carpets, glassware, and books as well as more prominently identified goods such as paintings, sculptures, and architecture. Exports climbed to \$73 billion in 2006, dropped below early-decade levels in 2009, and then largely resumed pre-recession levels. In current dollars, 2012 exports of American creative goods amounted \$75 billion. With U.S. imports at just \$27 billion, the arts achieved a \$48 billion trade surplus in 2012.

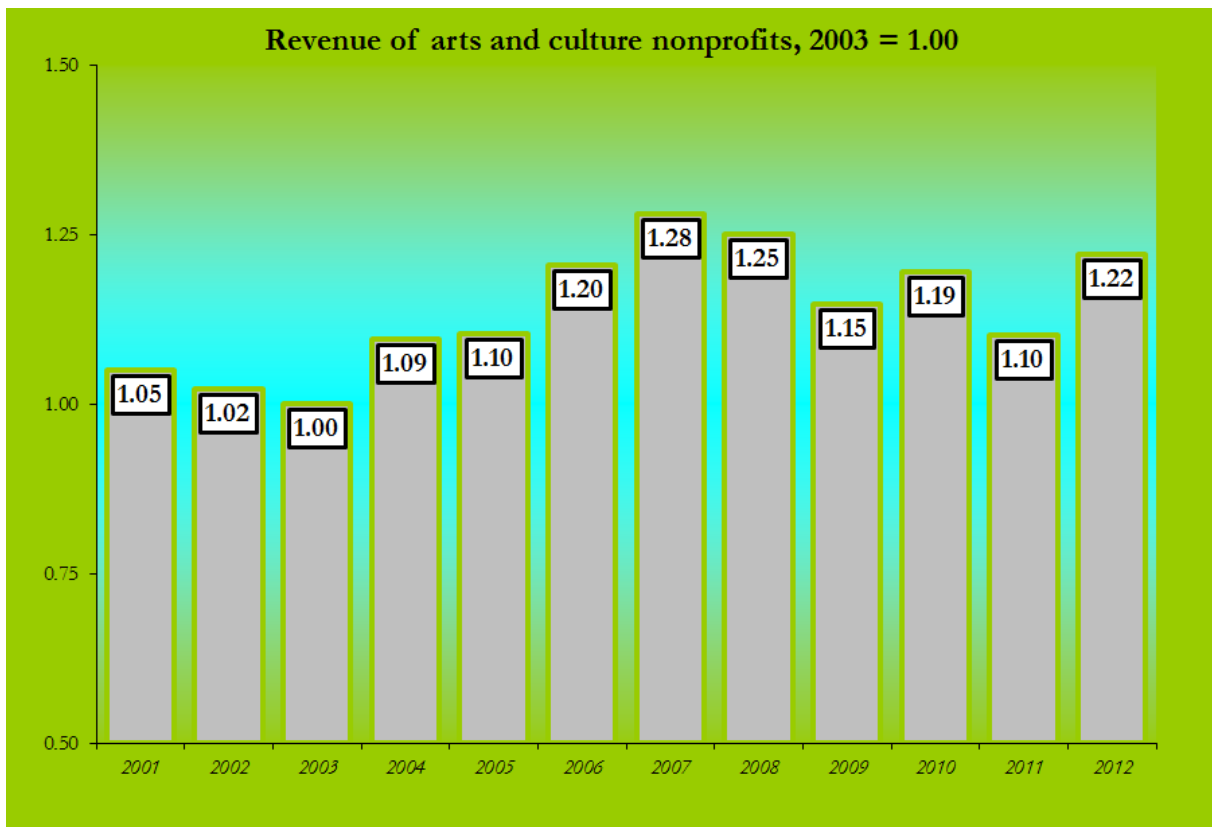


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Art crafts (\$M)		4,072	4,614	4,756	4,971	4,944	3,992	4,245	3,712	4,387	5,271	5,758
Audio visuals (\$M)		201	1,253	1,463	1,543	1,399	2,546	2,770	2,881	2,691	2,681	2,325
Design (\$M)		32,183	34,026	37,829	41,086	43,369	37,857	40,703	36,645	43,478	48,424	45,418
New media (\$M)		2,974	1,547	1,949	2,248	2,799	6,454	8,729	6,516	6,366	5,984	6,405
Performing arts (\$M)		369	823	976	956	890	835	989	718	922	980	975
Publishing (\$M)		6,201	6,389	6,744	6,917	7,094	6,646	6,411	4,627	4,741	4,824	4,572
Visual arts (\$M)		6,188	6,264	6,957	7,425	7,948	8,257	7,061	4,927	6,442	7,796	9,885
Total U.S. creative goods exports (\$M)		52,188	54,916	60,675	65,145	68,443	66,135	70,821	60,021	69,024	75,960	75,338
CPI at 2008 = 100.0		83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5	106.6
Constant dollar U.S. creative goods exports (\$M)		62,457	64,258	69,154	71,817	73,094	68,673	70,821	60,235	68,151	72,705	70,649
Indexed to 2003 = 1.0	N/D	0.97	1.00	1.08	1.12	1.14	1.07	1.10	0.94	1.06	1.13	1.10

11. REVENUE OF ARTS AND CULTURE NONPROFITS

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, then rebounded in 2012 to 42,000. A related issue is that thousands of arts organizations that had ceased filing information returns were removed from IRS rolls. In 2011, 46 percent of this reduced set of nonprofits provided information, more than the 35 percent of most earlier years.

This indicator measures the total revenues of these nonprofits that 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 declining revenue in the field. Both current dollar and constant dollar revenues grew steadily through 2007, followed by steep (though not steady) declines through 2011, followed by an increase in 2012; total nonprofit sector arts revenue had almost fully recovered from the recession by 2012.

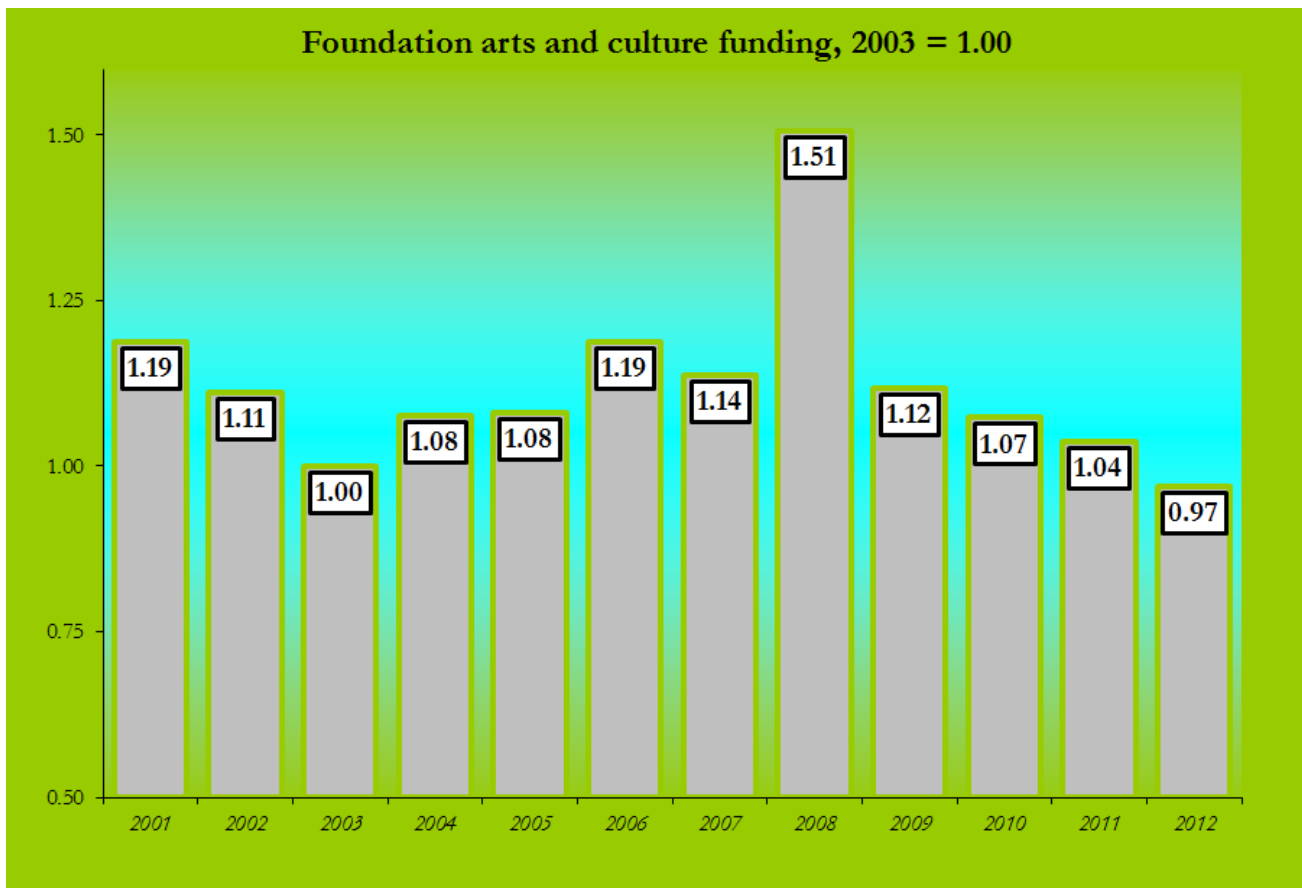


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total revenues of arts nonprofits (\$M)	24,139	23,868	23,897	26,848	27,977	31,519	34,461	34,967	31,947	33,815	32,171	36,395
CPI at 2008 = 100.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5	106.6
Constant dollar arts nonprofit revenue (\$M)	29,345	28,564	27,963	30,600	30,842	33,661	35,783	34,967	32,060	33,388	30,793	34,129
Indexed to 2003 = 1.00	1.05	1.02	1.00	1.09	1.10	1.20	1.28	1.25	1.15	1.19	1.10	1.22

12. FOUNDATION ARTS AND CULTURE FUNDING

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

This indicator measures total funding by foundations to arts organizations. These data originate in the Foundation Center's annual studies of foundation grants of \$10,000 or more made by approximately 1,100 of the nation's largest foundations. Foundation funding thus represents a bright spot for arts funding, especially compared to the losses in corporate support. The number of grants of this scale that are reported in the Center's FC Stats program has increased from 108,000 in 1999 to almost 154,000 in 2012. Along with the number of grants, foundation dollar amounts increased from 2001 through 2012 only modestly, by six percent to \$2.2 billion, when measured in current dollars; this leads to a decrease of about 18 percent when adjusted for inflation.

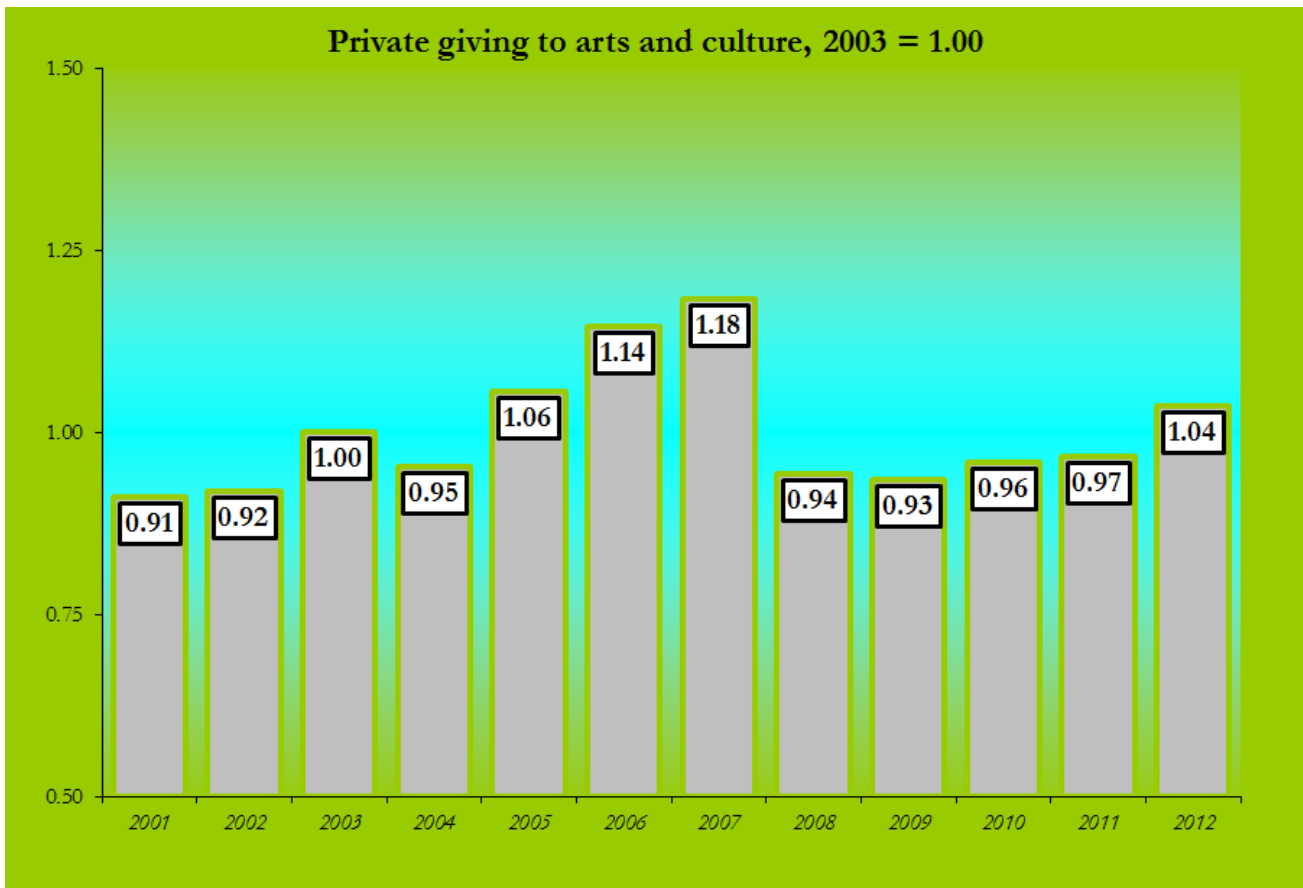


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total foundation arts grants (\$M)	2,048	1,946	1,790	1,980	2,055	2,330	2,294	3,156	2,332	2,276	2,268	2,165
CPI at 2008 = 100.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5	106.6
Constant dollar foundation arts grants(\$M)	2,490	2,329	2,095	2,256	2,265	2,488	2,382	3,156	2,340	2,248	2,170	2,031
Indexed to 2003 = 1.00	1.19	1.11	1.00	1.08	1.08	1.19	1.14	1.51	1.12	1.07	1.04	0.97

13. PRIVATE GIVING TO ARTS AND CULTURE

Private giving to arts organizations comes primarily from individuals, with major components also coming from foundations, corporations, and bequests. Private funds are typically a much larger source of revenue in arts organizations than public funds, representing about a third of the total income stream of nonprofit arts groups. A reliable source of total private philanthropy to the arts is the annual *Giving USA* report, published by the Giving USA Foundation at the Indiana University Center on Philanthropy. *Giving USA* estimates total private dollars going to arts and culture, one of several other nonprofit sectors. Arts support totaled \$14.3 billion in 2012 compared to giving of \$102 billion to religion, \$41 billion to education, \$31 billion to foundations, \$40 billion to human services, \$28 billion to health, and \$22 billion to public-society benefit.

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 reduced the benefits of that increase. Both current and constant dollar giving increased through 2007, then stabilized in a lower range. 2012 saw an overall increase in private arts philanthropy in both current (\$14.3 billion) and constant 2008 levels (\$13.5 billion).

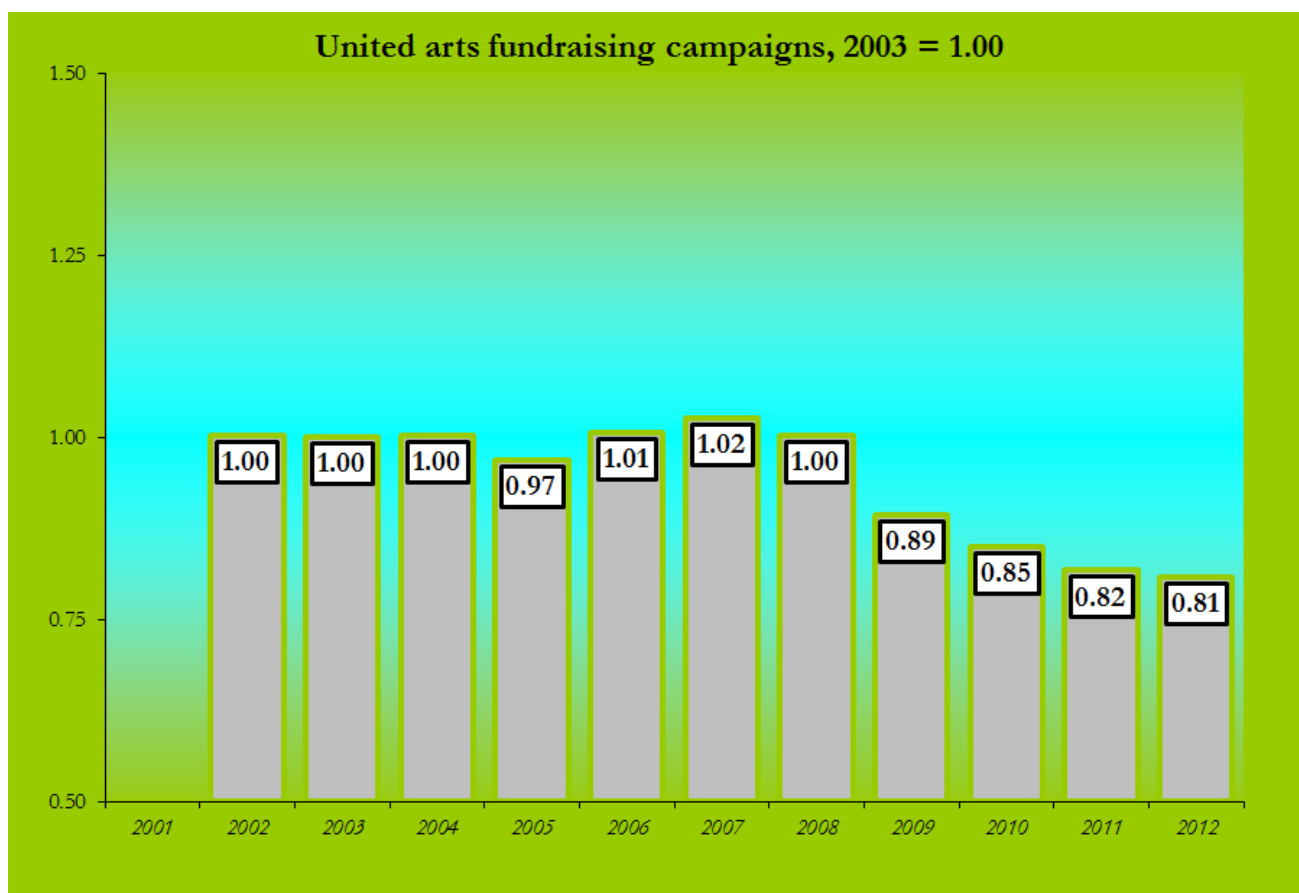


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Private arts philanthropy (\$B)	9.73	9.98	11.1	10.86	12.43	13.92	14.78	12.25	12.1	12.6	13.12	14.34
CPI at 2008 = 100.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5	106.6
Constant dollar private arts philanthropy (\$B)	11.83	11.94	12.99	12.38	13.70	14.87	15.35	12.25	12.14	12.44	12.56	13.45
Indexed to 2003 = 1.00	0.91	0.92	1.00	0.95	1.06	1.14	1.18	0.94	0.93	0.96	0.97	1.04

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, using data from a panel of 32 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.

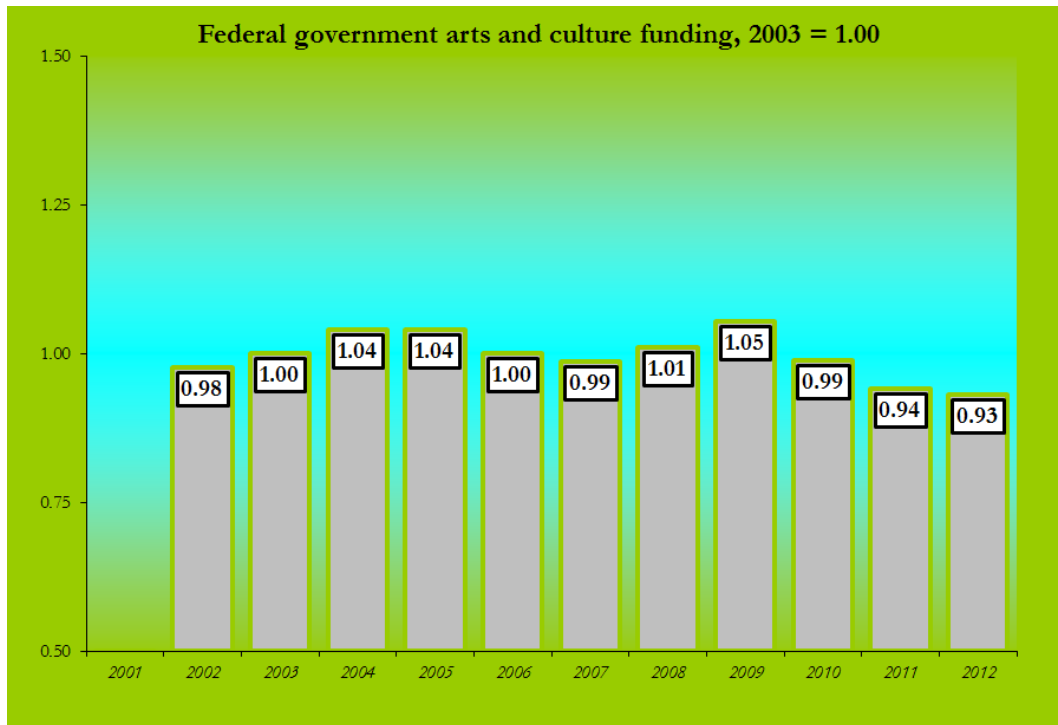


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Avg. raised by 32-UAF panel		\$2,562	\$2,615	\$2,689	\$2,690	\$2,880	\$3,021	\$3,065	\$2,7234	\$2,633	\$2,611	\$2,634
CPI at 2008 = 100.0		83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5	106.6
Constant dollar funds raised by 32 UAFs		3,067	3,060	3,065	2,966	3,076	3,137	3,065	2,733	2,600	2,499	2,470
Indexed to 2003 = 1.00	N/D	1.00	1.00	1.00	0.97	1.01	1.02	1.00	0.89	0.85	0.82	0.81

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 by federal dollars. Others include the National Endowment for the Humanities, Institute for Museum and Library Services, and Corporation for Public Broadcasting. Some Washington, D.C. programs (e.g., Smithsonian Institution, Holocaust Museum, National Gallery, Kennedy Center) have wide impact both as national arts centers and visitor attractions.

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 \$1.74 billion in 2012. Other arts programs (not counted in this indicator) are funded by non-arts agencies such as the Department of Defense, which boasts a vigorous music program throughout the armed services. Arts facilities and amenities are often included in the design and buildings throughout the federal government.

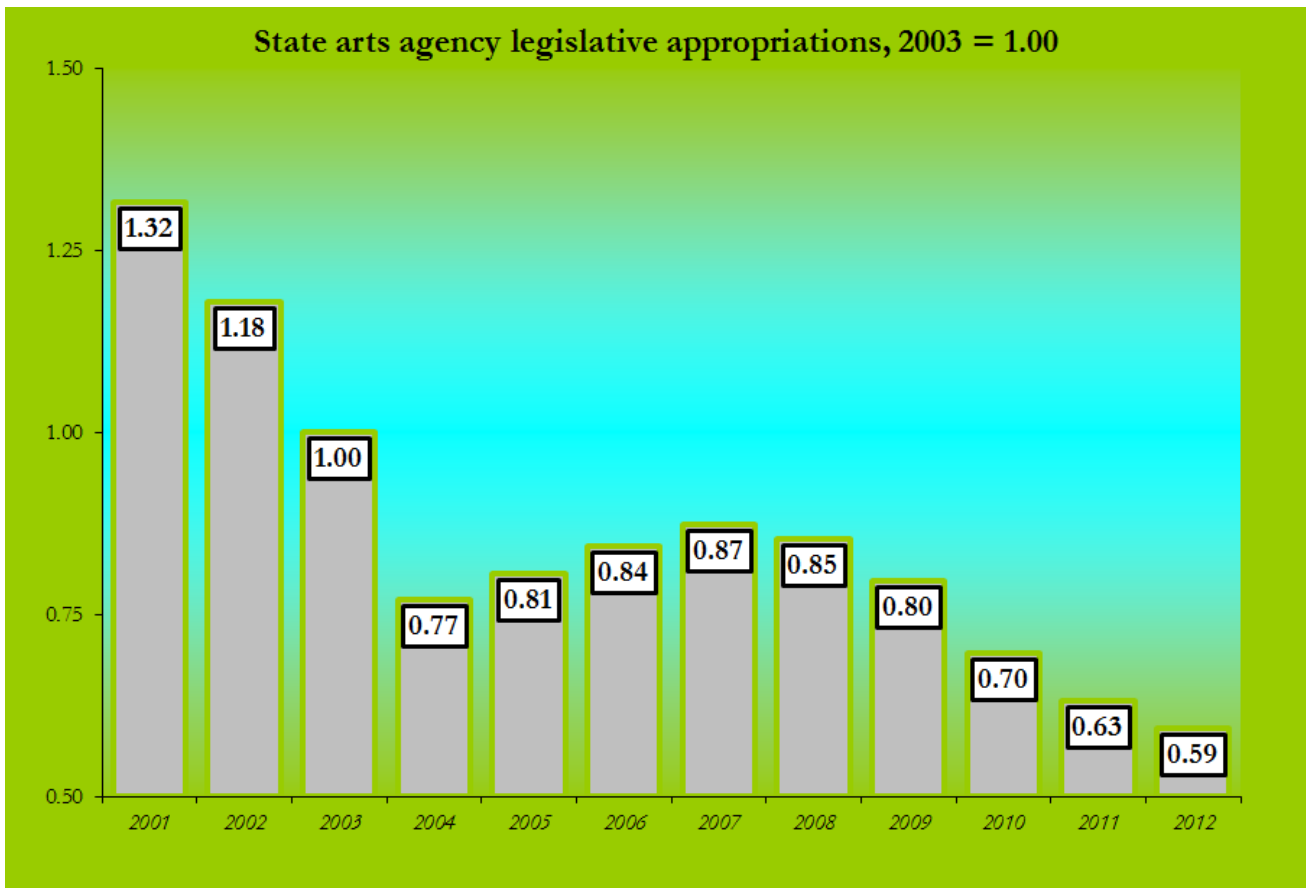


All figures \$000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
NEA Total		115,234	115,732	120,972	121,264	124,406	124,562	144,706	155,000	167,500	154,690	146,255
NEH		124,504	124,936	135,310	138,054	140,949	141,105	144,707	144,355	155,000	154,690	146,255
IMLS		221,501	243,890	262,240	280,564	247,144	247,144	263,507	268,193	274,840	242,000	232,000
Smithsonian		518,860	544,875	596,279	615,158	615,097	634,895	682,629	716,400	593,400	634,889	635,000
Kennedy Center		38,310	33,690	32,159	33,021	30,347	30,389	42,674	33,300	40,420	22,455	36,850
National Gallery of Art		85,335	92,842	98,225	102,653	111,141	111,729	117,866	119,567	111,000	110,525	128,600
Commission of Fine Arts		1,224	1,216	1,405	1,768	1,865	1,873	2,059	2,234	2,234	2,289	2,396
Institute of American Indian		4,490	5,454	6,173	5,916	6,207	6,207	7,183	7,900	7,900	8,283	8,519
Holocaust Memorial		36,028	38,412	39,505	40,858	42,150	42,349	44,786	48,082	49,122	49,024	50,800
Arts in Education		30,000	33,779	35,071	35,633	35,277	35,277	37,533	37,000	38,120	24,596	24,596
Corp. for Public Broadcasting		350,000	362,800	377,800	386,800	396,000	400,000	400,000	430,000	430,000	435,138	445,000
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	1,856,271
CPI, 2008 = 100.0		83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5	106.6
Constant dollar federal arts spending	N/D	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	1,740,734
Indexed to 2003 = 1.00		0.98	1.00	1.04	1.04	1.00	0.99	1.01	1.05	0.99	0.94	0.93

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—that was followed by a precipitous drop to \$281 million by 2004 (-38 percent). After a mid-decade recovery, current dollar support dropped steadily since 2007, with a 10 percent decline in 2011. 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).

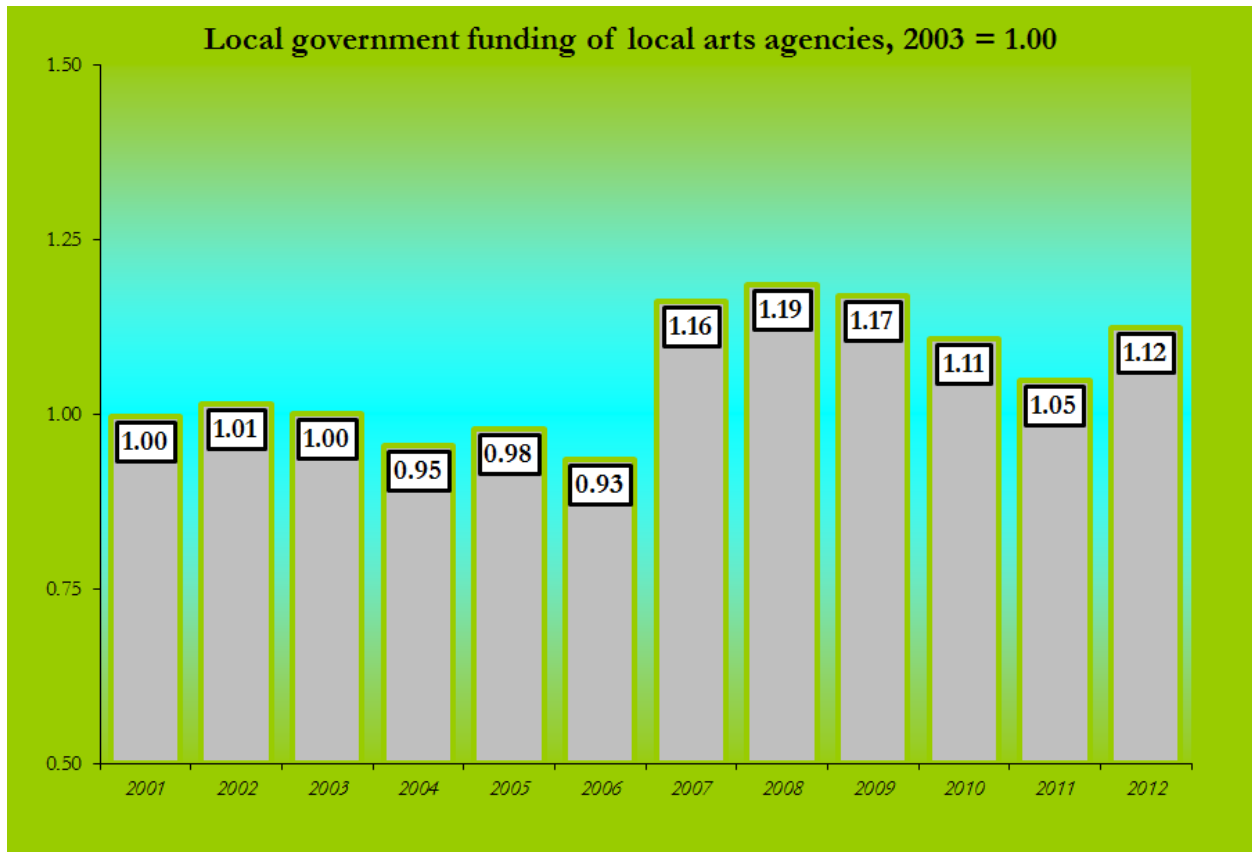


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
State arts agency legislative appropriations (\$M)	450.6	409.7	355.7	281	304.2	328.9	350.1	354.7	329.8	293.2	274	263
CPI at 2008 = 100.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100	99.6	101.3	104.5	106.6
Constant dollar state arts agency legislative appropriations (\$M)	547.8	490.3	416.2	320.3	335.4	351.2	363.6	354.7	331	289.5	262.2	246.7
Indexed to 2003 = 1.00	1.32	1.18	1	0.77	0.81	0.84	0.87	0.85	0.8	0.7	0.63	0.59

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, and 2012 saw the first increase in several years.



(\$ in millions)	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total local government support of local arts agencies in 60 large cities	311.7	322.2	325.0	318.5	337.2	332.7	425.1	450.8	442.6	426.4	416	456
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	106.6
Constant dollar local government support of local arts agencies in 60 large cities	378.9	385.6	380.3	363.0	371.7	355.3	441.3	450.8	444.1	421	398.2	427.3
Indexed to 2003 = 1.00	1.00	1.01	1.00	0.95	0.98	0.93	1.16	1.19	1.17	1.11	1.05	1.12

CHAPTER 4. CAPACITY INDICATORS

There are 15 *Capacity* indicators for 2012. Capacity indicators measure the number and strength of individuals and organizations that provide arts and culture in the U.S. Capacity is also visible in the channels through which specific art forms (movies and music) reach their audiences, in the level of capital investment in business and nonprofit, in the organizational networks that create a supportive infrastructure, and in the lasting value of artistic assets in the national economy. They are presented here in an order roughly from individuals to institutions.

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

TABLE 4. CAPACITY INDICATORS

18.	Artists in the workforce
19.	Workers in arts and culture occupations
20.	Employees in arts and culture industries
21.	"Creative Industries" employment
22.	Arts union membership
23.	CD and record stores
24.	Independent artists, writers, and performers
25.	Movie screens
26.	Establishments in arts and culture industries
27.	"Creative Industries" establishments
28.	Registered arts and culture 501(c)(3) organizations
29.	Arts support organizations
30.	Capital investment in arts and culture industries
31.	Capital investment in nonprofit arts organizations
32.	Artistic assets in the national income accounts (new indicator in 2014)

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

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
12	12	15	15	15	15	15	15	15	15	15	15

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

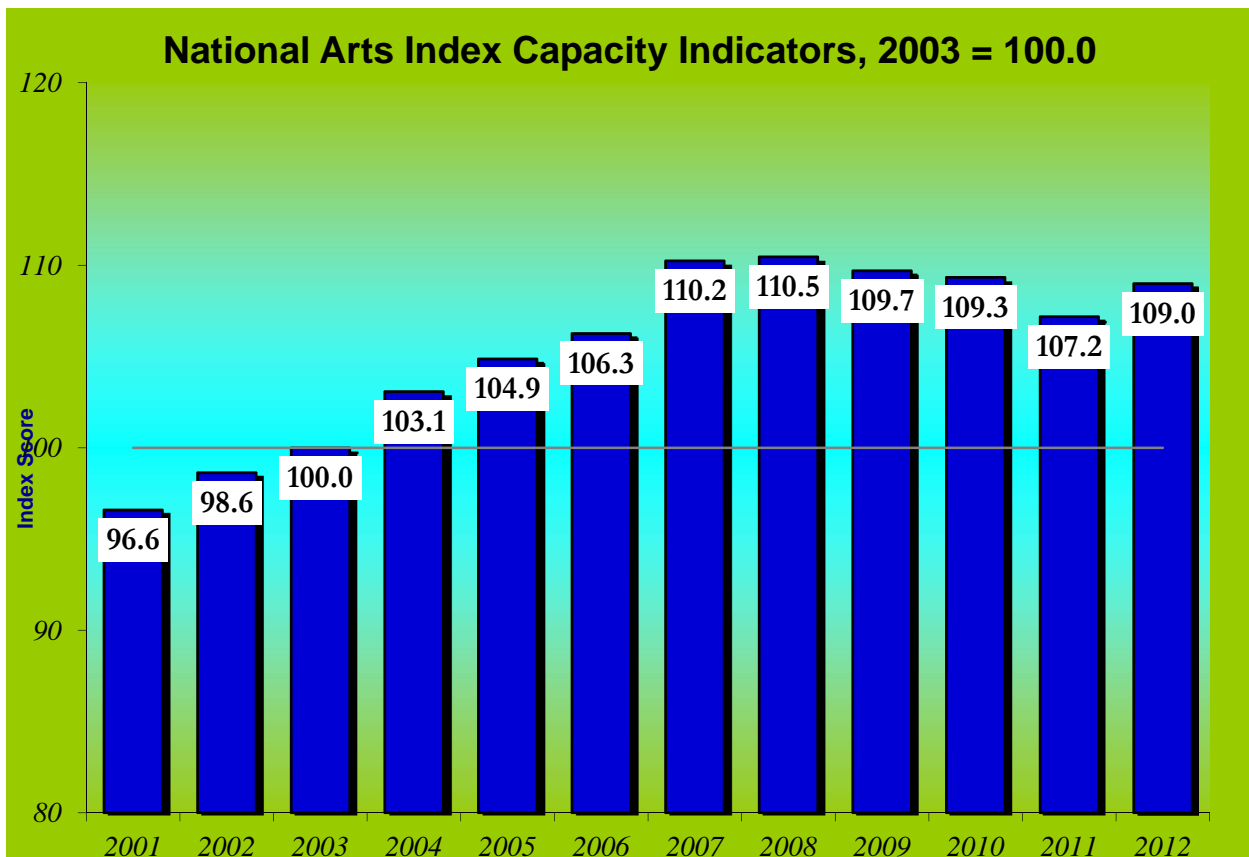


FIGURE E. NATIONAL ARTS INDEX CAPACITY INDICATORS (2003 = 100.0)

The Capacity dimension of the Arts and Culture Balanced Scorecard illustrates one of the most striking results we found: the sharp increase in the capacity of the arts industries shown in this figure, followed by moderate decline, and, recovery into 2012. This was visible in both human and financial terms. Every year from 2001 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, and their music listening to streaming services. For most of these years, capital investment in the arts grew, and at a pace far greater than inflation. Some of that capital is in the familiar form of concert halls and exhibit spaces, but other arts and culture capital is based in technology.

In 2012, capacity increased. Most measures of employment remained 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. The number of nonprofits fell in 2012 for economic and regulatory reasons, but has grown since then, as we know from subsequent reports. It is worth noting that all of these changes are *net* increases or decreases, meaning that they only report on the total number of

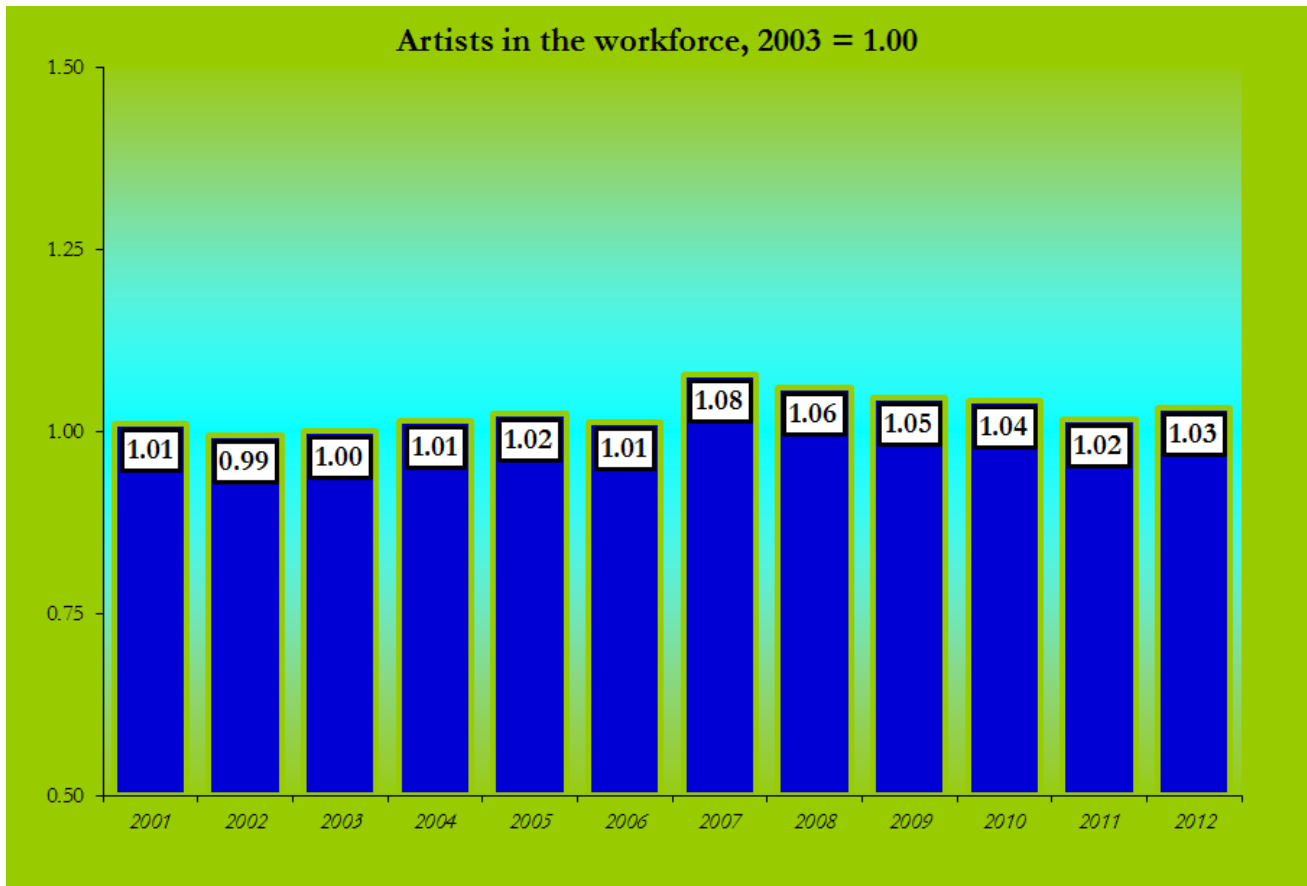
organizations, individuals, or the amount of capital each year. They do not show the ongoing process of new organizations entering, while other existing ones go out of business, for example. Thus, they cannot tell us about the level of attrition in existing capacity, as some organizations fail or workers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

The individual indicators described in the following 15 pages provide additional detail on the increasingly stable capacity of the arts and culture sector. Cumulatively, they result in a Capacity score of 109.0 for 2012. Of the 15 indicators, nine increased, five declined, and one stayed the same.

18. ARTISTS IN THE WORKFORCE

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

This indicator measures the total number of artists in the civilian workforce, based on the CPS data published by the Endowment. According to this measure, there were between 2.0 million and 2.2 million artists in the workforce from 2001 through 2012. The jump from 2006 to 2007 was driven by increases in the number of architects, designers, producers, and directors (four of the eleven occupational types). Slight declines that began in 2008 continued through 2011, but 2012 saw an increase.

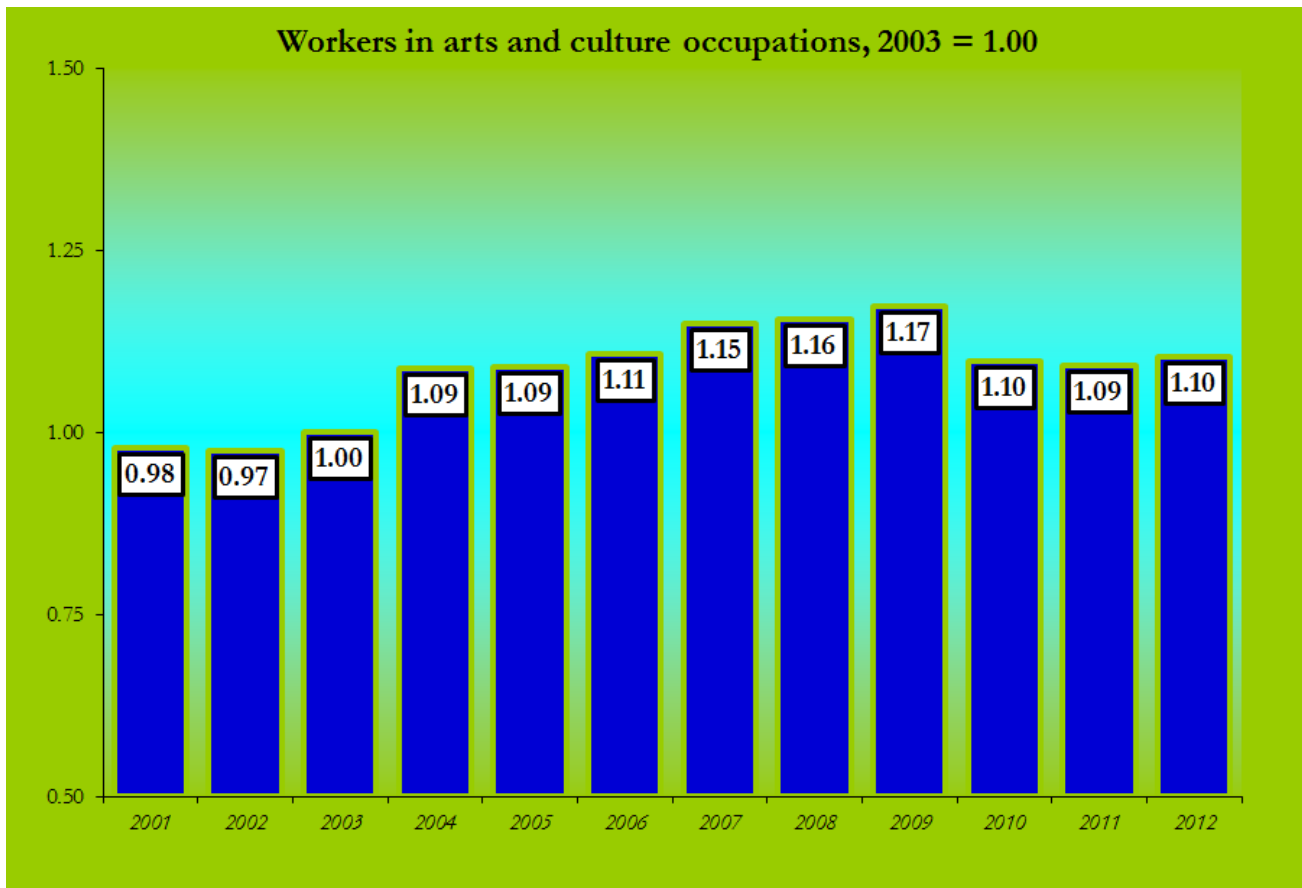


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total artists in the civilian workforce (000)	2,136	2,103	2,114	2,142	2,164	2,141	2,277	2,240	2,211	2,201	2,148	2,181
Indexed to 2003 = 1.00	1.01	0.99	1.00	1.01	1.02	1.01	1.08	1.06	1.05	1.04	1.02	1.03

19. WORKERS IN ARTS AND CULTURE OCCUPATIONS

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

This indicator measures the total number of workers in 46 arts occupations defined by the Standard Occupational Code system of the Bureau of Labor Statistics (see Appendix B). That is, it identifies workers by their occupation rather than their employment status. Following growth from 1.3 million in 1999 to 1.7 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, changes in the numbers of workers from 2004 through 2012 are for the same set of occupations. The number of arts workers increased in 2012 for the first time since 2009.

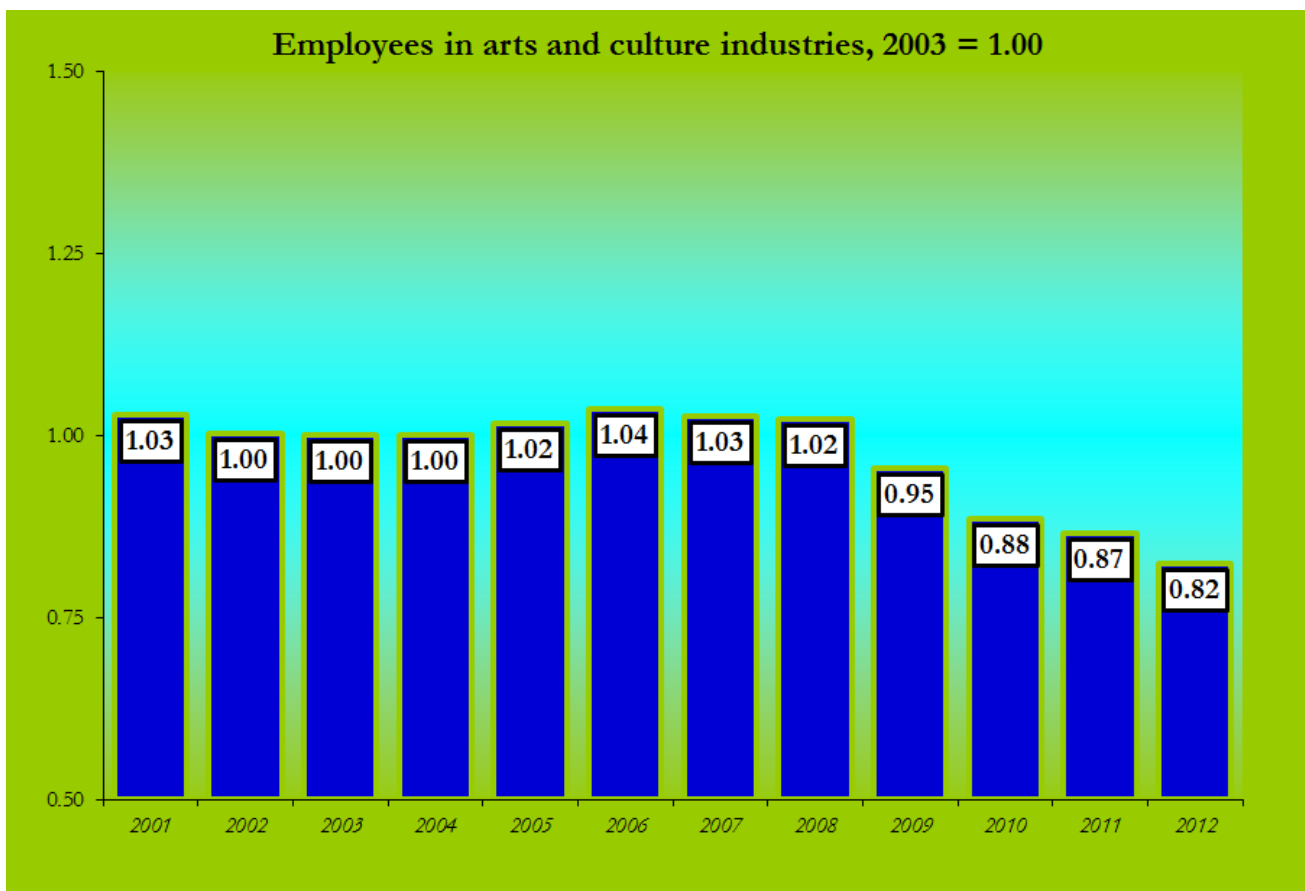


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Workers in arts and culture occupations (000)	1,407	1,401	1,438	1,564	1,566	1,591	1,652	1,661	1,686	1,576	1,569	1,587
Indexed to 2003 = 1.00	0.98	0.97	1.00	1.09	1.09	1.11	1.15	1.16	1.17	1.10	1.09	1.10

20. EMPLOYEES IN ARTS AND CULTURE INDUSTRIES

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

This indicator measures the number of employees working in establishments in those 43 NAICS industries (listed in Appendix C). According to this measure, overall employment has fallen to 1.7 million from 2.1 million since 1999; however, self-employment in the arts has risen over the same time period (Indicator # 24).

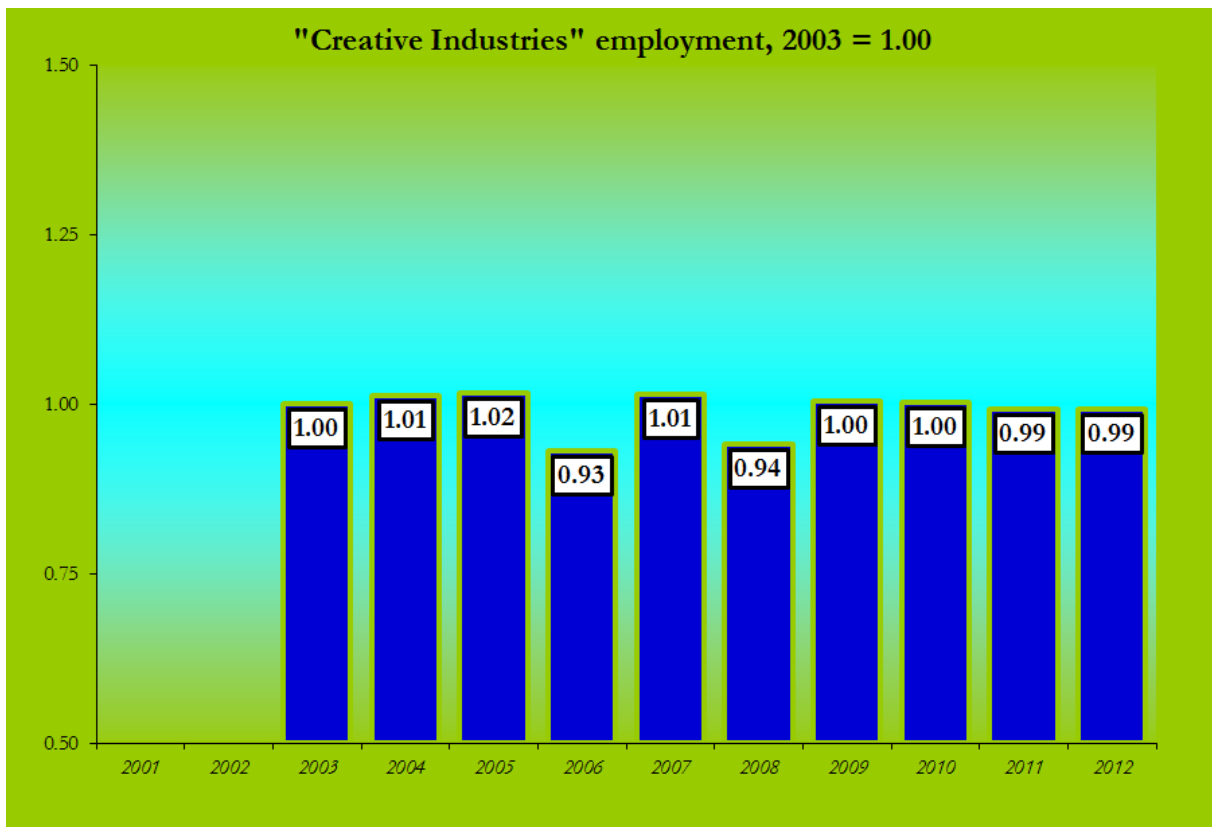


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Employees in arts and culture industries (000)	2,109	2,055	2,052	2,053	2,084	2,126	2,103	2,095	1,956	1,815	1,776	1,689
Indexed to 2003 = 1.00	1.03	1.00	1.00	1.00	1.02	1.04	1.03	1.02	0.95	0.88	0.87	0.82

21. "CREATIVE INDUSTRIES" EMPLOYMENT

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). In 2011, D & B changed its data gathering method, resulting in a jump in their total counts of all employees, including those in the arts. However, viewed as a fraction of employees in all industries where D & B gathers data, the "Creative Industries" share of all employment stayed steady, in the narrow range from 2.0 percent to 2.2 percent from 2003 to 2012. In recent years, D & B aggressively expanded its list of business establishments, resulting in a higher number of total employees. The year-to-year trend in share for the arts, however, has remained steady.

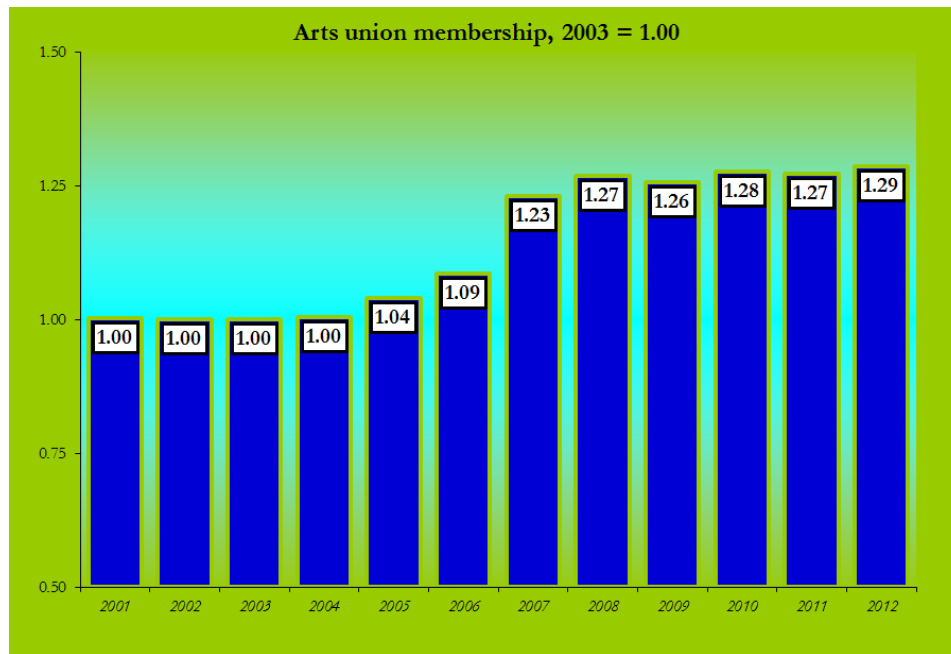


	2001-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Arts Employees (000)		2,989	2,966	2,869	2,671	2,981	2,817	2,991	2,991	3,348	3,208
Total D&B Employees		137,936	135,312	130,208	132,436	135,607	138,177	137,364	137,771	155,630	149,092
Arts share of total		2.17%	2.19%	2.20%	2.02%	2.20%	2.04%	2.18%	2.17%	2.15%	2.15%
Indexed to 2003 = 1.00	N/D	1.00	1.01	1.02	0.93	1.01	0.94	1.00	1.00	0.99	0.99

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 553,000 in 2012, up slightly from 2011.



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Actors Equity	44,232	45,096	46,013	46,772	39,397	39,969	41,358	42,166	42,676	42,524	42,549	42,392
American Federation of Musicians	104,000	102,000	98,893	96,632	92,006	89,860	89,460	88,423	89,349	92,404	85,039	79,700
American Federation of Television and Radio Artists	62,084	63,212	64,980	59,431	57,452	70,106	59,788	70,716	61,522	65,182	68,113	74,449
American Guild of Musical Artists	5,835	7,000	6,778	8,775	9,525	6,886	6,821	7,084	6,937	6,898	7,149	7,071
American Guild of Variety Artists	3,900	3,900	3,900	3,900	3,900	3,100	2,697	2,894	2,917	2,800	2,800	2,800
Directors Guild of America	12,460	12,763	12,885	13,124	13,384	13,326	13,775	14,310	14,478	14,624	14,842	15,065
International Association of Theatrical Stage Employees	101,890	103,506	104,102	105,180	105,273	105,366	108,386	110,784	112,424	112,466	112,461	114,542
Motion Picture Industry Basic Crafts	5,600	5,600	5,600	5,600	5,600	6,329	6,015	6,075	6,050	6,050	7,050	6,580
Screen Actors Guild	77,278	74,162	73,759	78,698	107,547	108,484	176,455	178,437	179,262	180,091	180,751	183,782
Stage Directors and Choreographers Society	1,752	1,765	1,854	1,948	2,031	2,169	2,274	2,371	2,394	2,467	2,506	2,569
Writers Guild of America East	4,107	4,173	4,161	4,229	3,810	3,770	3,800	3,791	3,777	3,917	3,964	3,622
Writers Guild of America West	8,377	7,646	7,601	7,580	7,627	18,032	18,519	18,881	19,354	19,763	20,181	20,729
Total	431,515	430,823	430,526	431,869	447,552	467,397	529,348	545,932	541,140	549,186	547,405	553,301
Indexed to 2003 = 1.00	1.00	1.00	1.00	1.00	1.04	1.09	1.23	1.27	1.26	1.28	1.27	1.29

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 sales of millions of CDs, in addition to 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 1,727 by 2012 (down 48 percent).

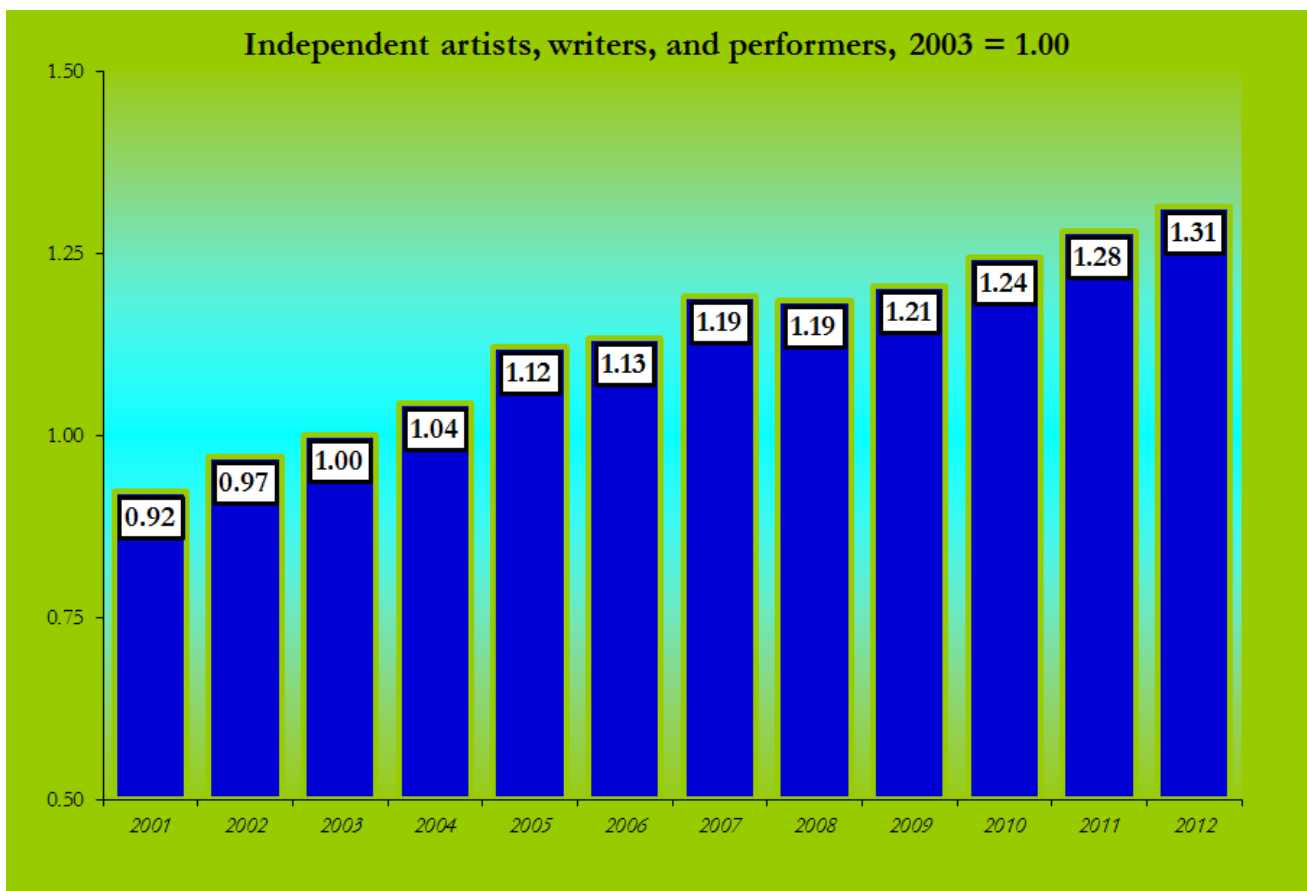


	2000-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Independent CD Stores		3,329	3,315	3,024	2,892	2,641	2,316	2,074	1,966	1,863	1,727
Indexed to 2003 = 1.00	N/D	1.00	1.00	0.91	0.87	0.79	0.70	0.62	0.59	0.56	0.52

24. INDEPENDENT ARTISTS, WRITERS, AND PERFORMERS

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

This indicator measures the total number of individual artists in NAICS 7115 who are not employers, labeled “Independent artists, writers, and performers.” This figure grew steadily between 2001 and 2012, from 526,000 to 749,000. 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.

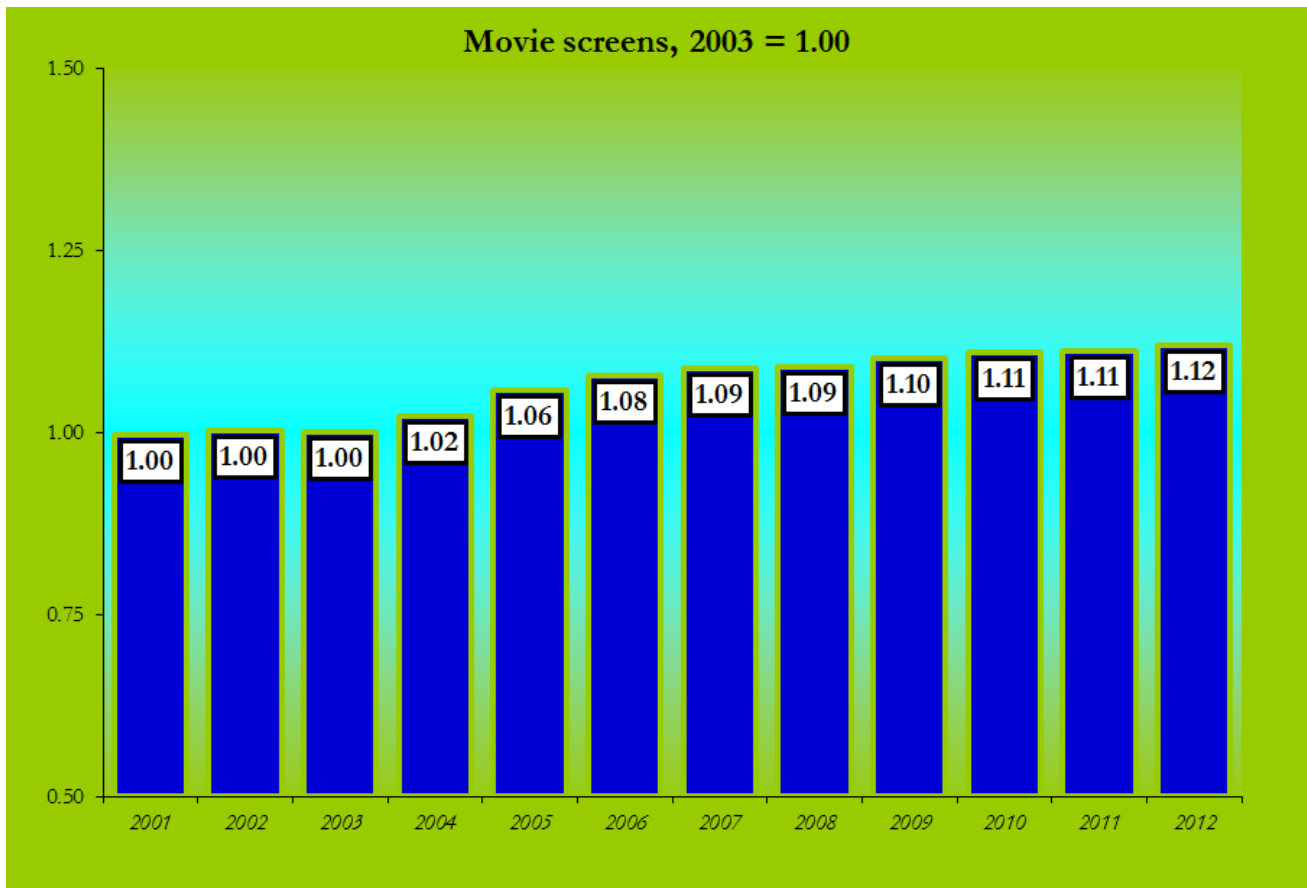


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Independent artists, writers, and performers	525,921	553,776	570,577	595,845	639,149	646,865	679,247	676,182	687,699	710,327	730,022	748,921
Indexed to 2003 = 1.00	0.92	0.97	1.00	1.04	1.12	1.13	1.19	1.19	1.21	1.24	1.28	1.31

25. MOVIE SCREENS

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

This indicator measures the number of movie screens, as reported by the National Association of Theatre Owners. This increased from about 36,000 in 2001 to nearly 40,000 in 2012. 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.

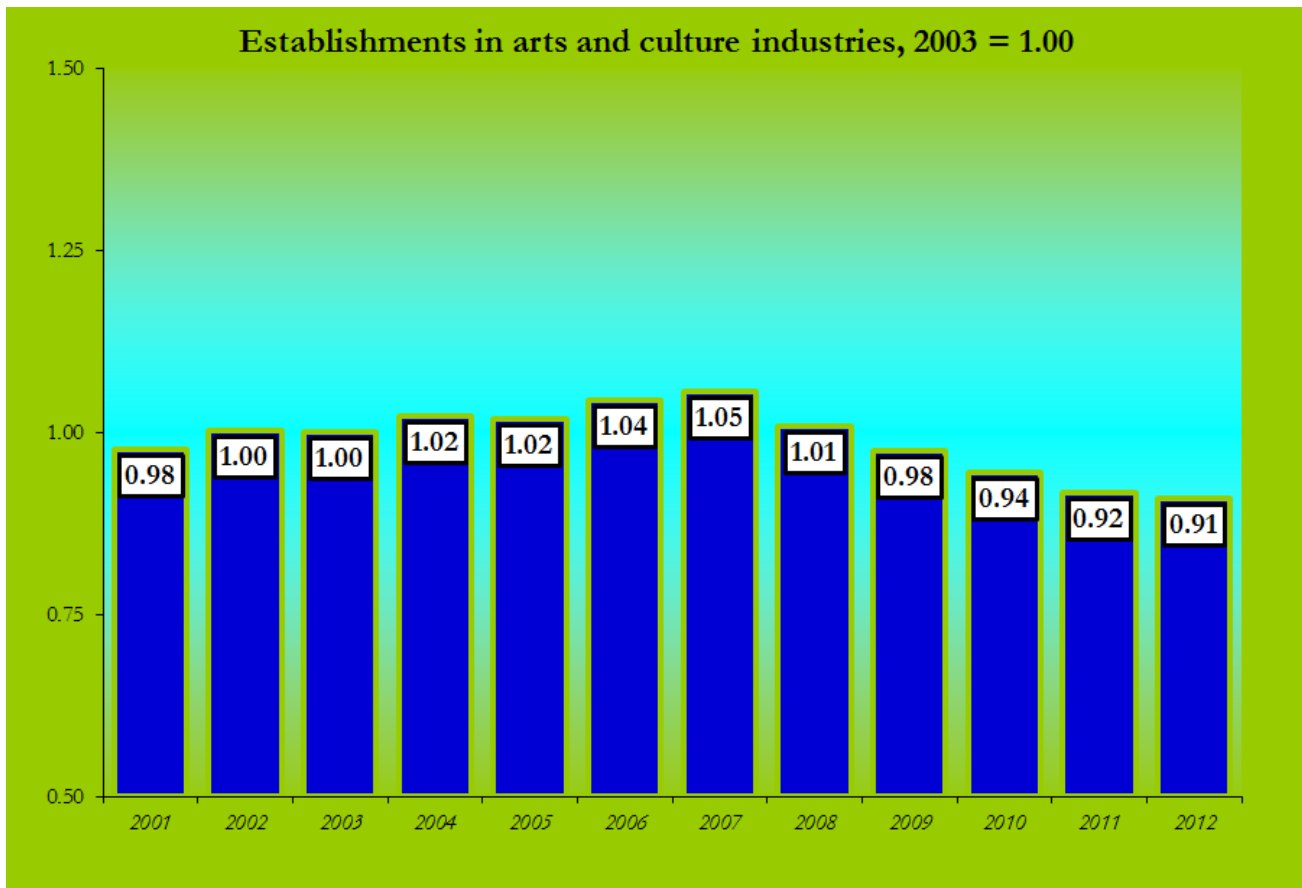


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Movie Screens	35,506	35,688	35,650	36,435	37,688	38,415	38,794	38,834	39,233	39,547	39,461	39,918
U.S. population (millions)	285.1	287.8	290.3	293.0	295.8	298.4	301.6	304.4	307.0	309.6	311.6	314.9
Movie screens per million population	124.5	124.0	122.8	124.3	127.4	128.8	128.6	127.6	127.8	127.7	127.2	126.8
Indexed to 2003 = 1.00	1.00	1.00	1.00	1.02	1.06	1.08	1.09	1.09	1.10	1.11	1.11	1.12

26. ESTABLISHMENTS IN ARTS AND CULTURE INDUSTRIES

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

This indicator measures the number of all establishments that are in arts and culture industries, using the same 43 NAICS codes and *County Business Patterns* data used to describe “Creative Industries” employment (Indicator #21). Almost 200,000 commercial and nonprofit arts firms play roles as artists, ensembles, intermediaries, and more. The tally of arts establishments grew slowly, but steadily from 2000 to a peak of 229,000 in 2007, but declined by 14% during the recession to the most recent measure of 197,000 in 2012.

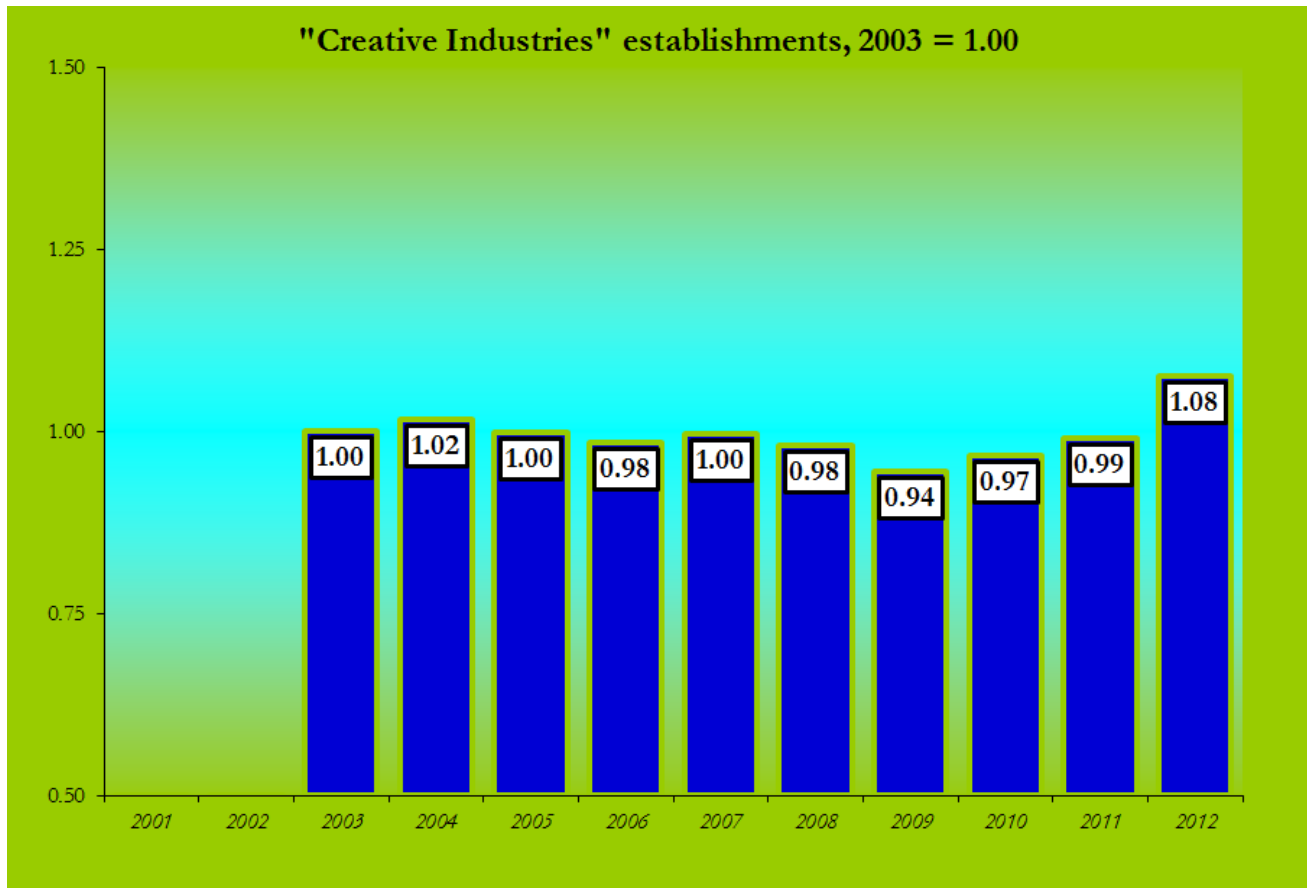


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Establishments in all NAICS industries	211,448	216,995	216,480	221,107	220,185	225,880	228,377	218,328	211,081	204,375	198,344	196,723
Indexed to 2003 = 1.00	0.98	1.00	1.00	1.02	1.02	1.04	1.05	1.01	0.98	0.94	0.92	0.91

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

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

This indicator measures the number of establishments in the "Creative Industries." 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 4.6 percent of all establishments counted by Dun & Bradstreet (21.5 million). The Creative Industries share grew in 2012, in part because of how D & B expanded its list of businesses establishments, and in part because of growth in the Creative Industries. Prior year measures, if they used the method now in place, would probably have been higher.

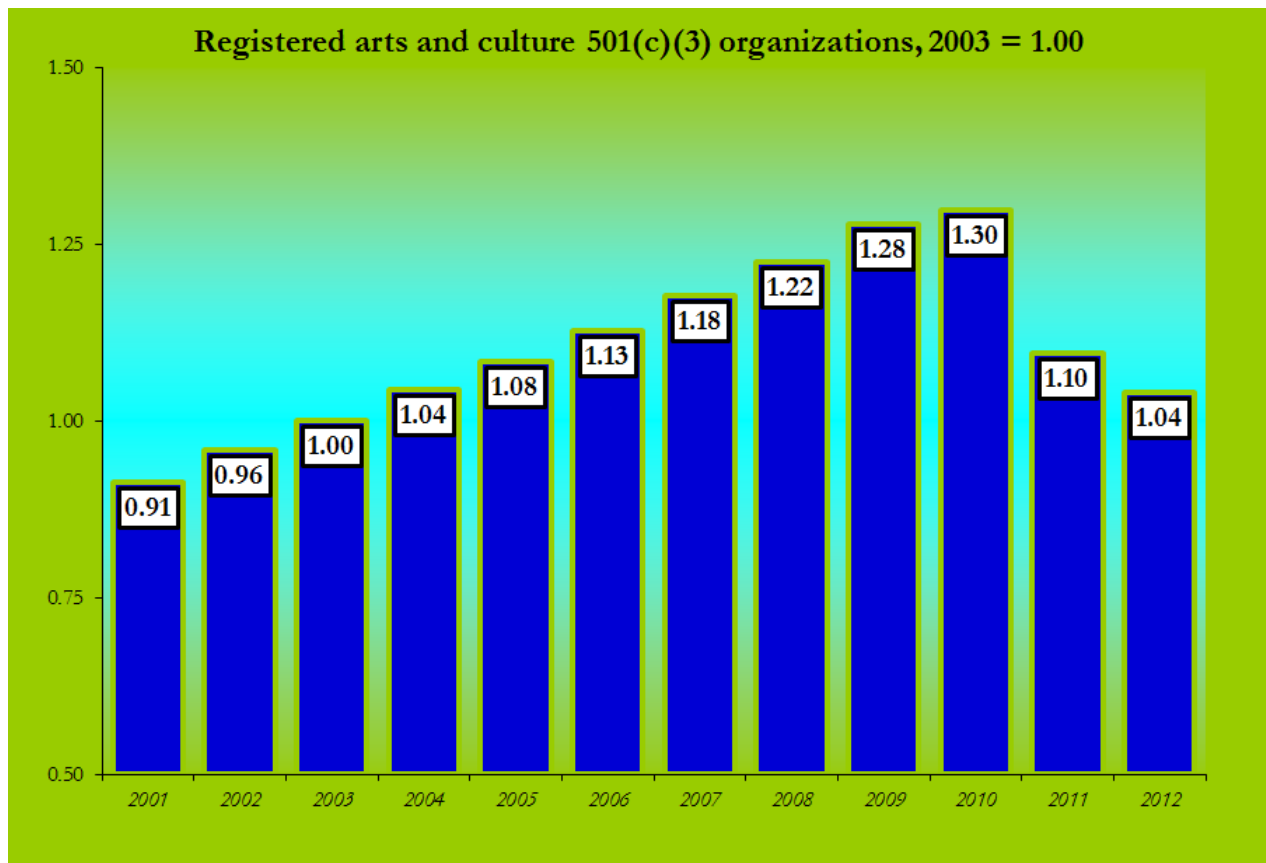


	2001-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Arts Businesses		548,281	578,487	546,466	546,558	612,095	686,076	668,267	756,007	905,869	828,161
Total D&B Businesses (000)		12,784	13,274	12,759	12,945	14,324	16,326	16,504	18,261	21,341	17,961
Arts as % of total		4.29%	4.36%	4.28%	4.22%	4.27%	4.20%	4.05%	4.14%	4.24%	4.61%
Indexed to 2003 = 1.00	N/D	1.00	1.02	1.00	0.98	1.00	0.98	0.94	0.97	0.99	1.08

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

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

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

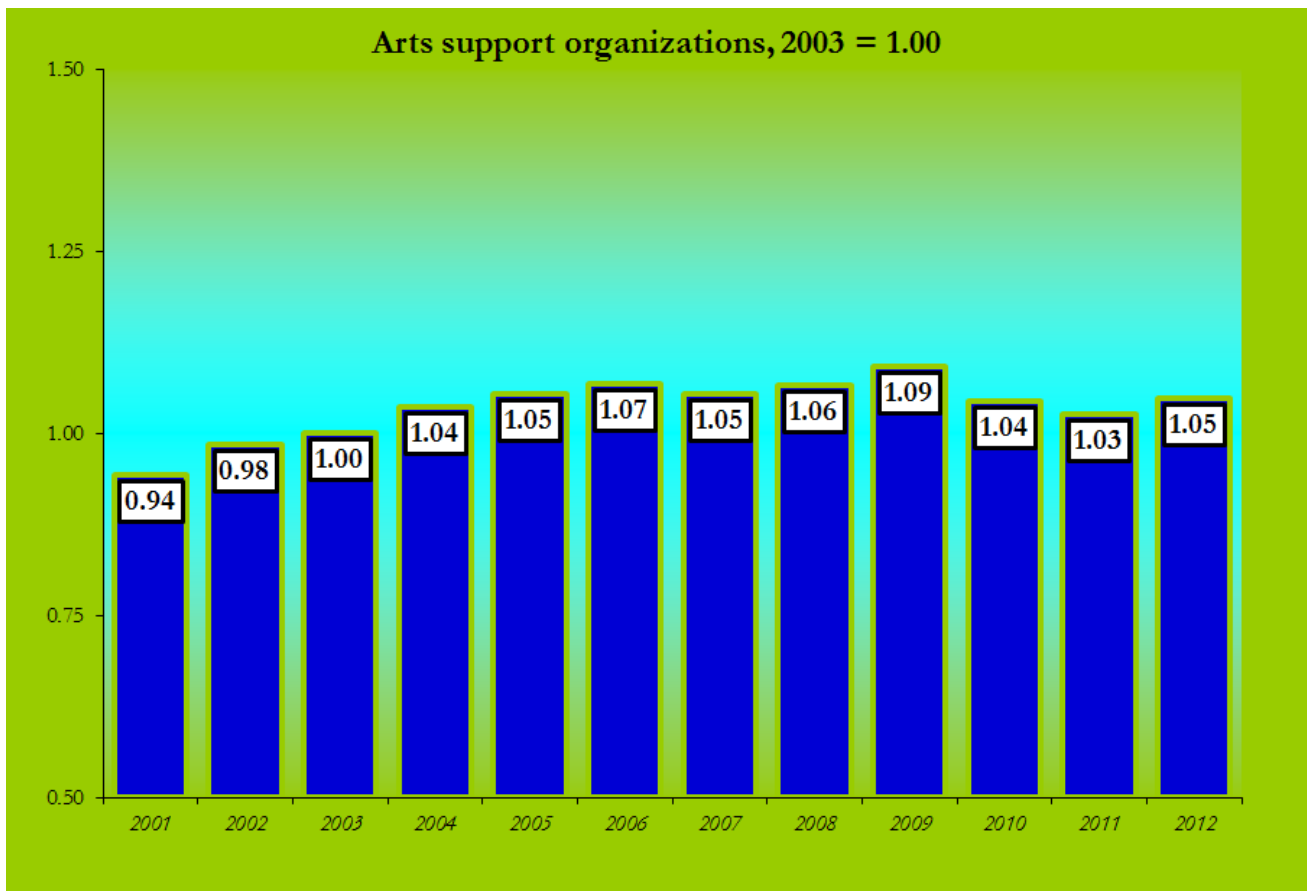


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Registered 501(c)(3) organizations	79,636	83,521	87,223	91,107	94,450	98,377	102,638	106,845	111,526	113,188	95,339	90,739
Indexed to 2003 = 1.00	0.91	0.96	1.00	1.04	1.08	1.13	1.18	1.22	1.28	1.30	1.10	1.04

29. ARTS SUPPORT ORGANIZATIONS

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

This indicator measures the number of organizations classified in the National Taxonomy of Exempt Entities as Alliance/Advocacy Organizations, Research Institutes and/or Public Policy Analysis, Monetary Support—Single Organization, Monetary Support—Multiple Organizations, and Nonmonetary Support Not Elsewhere Classified, adjusted for population. The number of such support organizations contracted slightly during the recession but has largely recovered to about 3,800 by 2012.

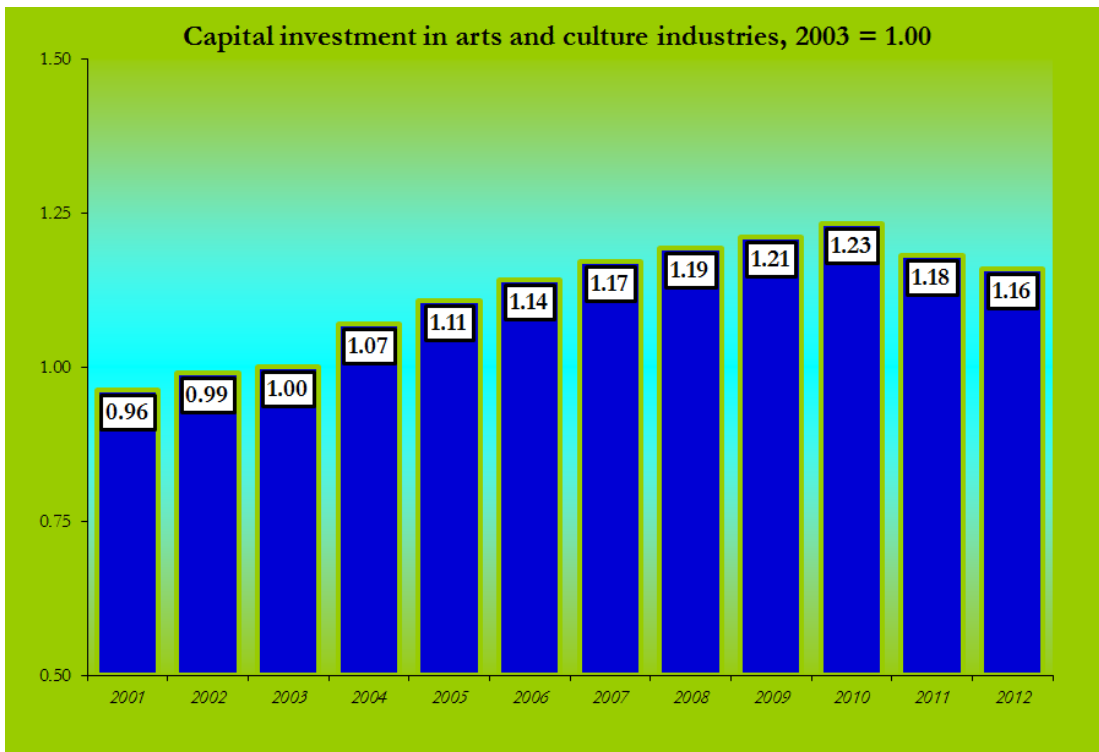


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Arts support organizations	3,061	3,223	3,305	3,458	3,546	3,627	3,620	3,690	3,812	3,677	3,639	3,759
U.S. population (millions)	285.1	287.8	290.3	293.0	295.8	298.6	301.6	304.4	307.0	309.2	311.6	314.9
Arts support organizations per million population	10.7	11.2	11.4	11.8	12.0	12.1	12.0	12.1	12.4	11.9	11.7	11.9
Indexed to 2003 = 1.00	0.94	0.98	1.00	1.04	1.05	1.07	1.05	1.06	1.09	1.04	1.03	1.05

30. CAPITAL INVESTMENT IN ARTS AND CULTURE INDUSTRIES

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

This indicator tracks inflation-adjusted net capital in industries related to arts and culture (e.g., Motion Picture and Sound Recording, and Book Publishing). The Bureau’s data do not describe all six-digit NAICS industries, so the share of the entire publishing industry (which includes software, directories, magazines, and books) was adjusted using the share of revenue earned by different kinds of publishers. Companies in industries that create and disseminate literature, film, and music invested more every year. In any year, some capital spending is for expansion, and some is to replace equipment that has been fully depreciated, so total capital spending is somewhat understated in the table. After rising rapidly through 2010, investment in those sectors lagged in 2011 and 2012, when it was \$142 million in current dollars.

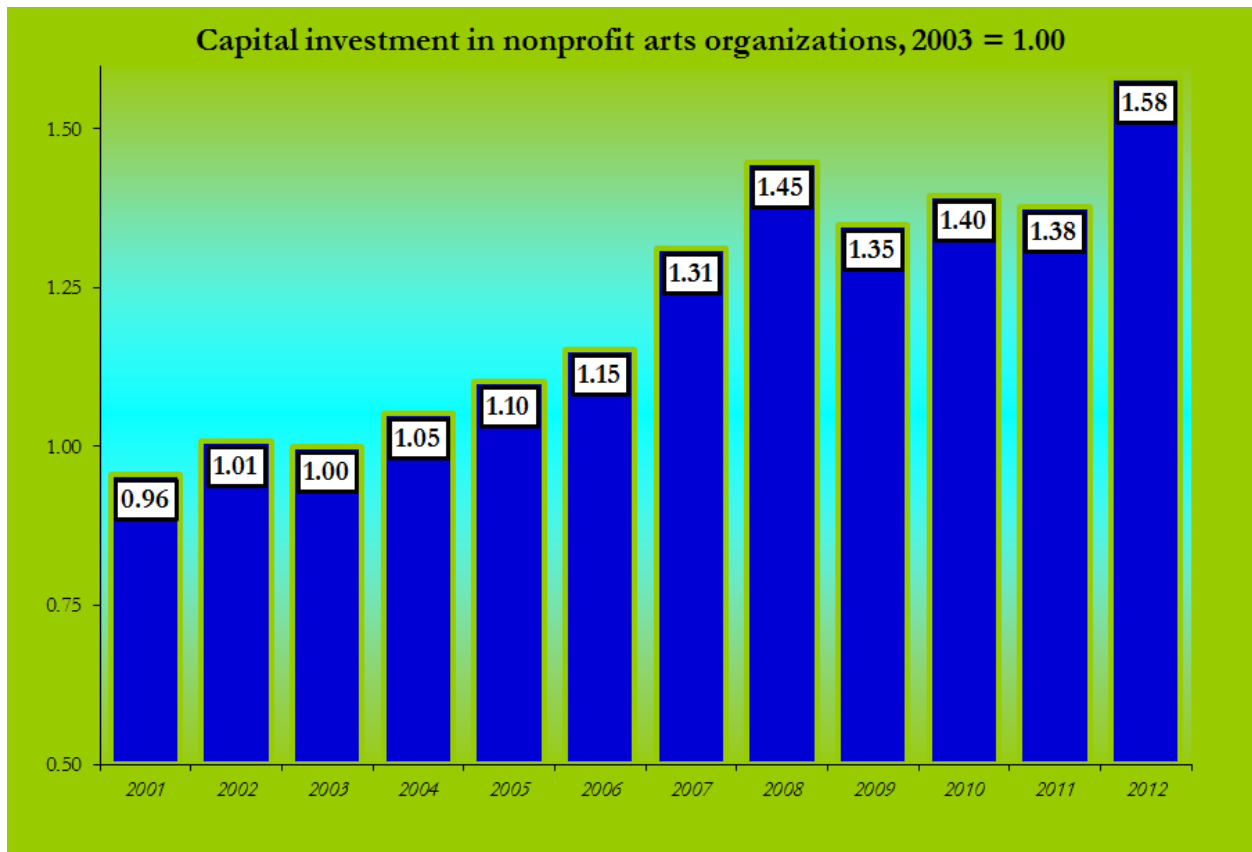


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Net Capital Stock of NAICS 511,- Publishing Industries (\$B)	79.56	83.84	91.86	97.71	102.86	112.02	121.85	130.33	131.46	131.90	136.87	142.60
Share of revenue in NAICS 511 from NAICS 5113, Book Publishers	18.5%	19.1%	18.5%	19.4%	18.7%	18.5%	18.9%	19.8%	21.9%	23.4%	21.7%	20.7%
Book publisher share of 5110 capital stock (\$B)	14.71	16.05	16.97	18.93	19.25	20.69	23.08	25.75	28.77	30.83	29.70	29.52
Net Capital Stock of NAICS 5120 - Motion Picture and Sound Recording Industries (\$B)	34.59	35.56	36.30	39.60	43.30	45.94	47.17	48.59	46.37	46.95	47.19	47.47
Total net capital stock of selected industries	49.31	51.62	53.27	58.53	62.55	66.63	70.25	74.34	75.14	77.79	76.89	76.99
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	106.6
Constant dollar total net capital stock of selected industries (\$B)	59.94	61.77	62.33	66.71	68.95	71.16	72.95	74.34	75.41	76.80	73.60	72.20
Indexed to 2003 = 1.00	0.96	0.99	1.00	1.07	1.11	1.14	1.17	1.19	1.21	1.23	1.18	1.16

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 2012 was \$38.7 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 46 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 capital spending for expansion from capital spending to replace equipment that has been fully depreciated.

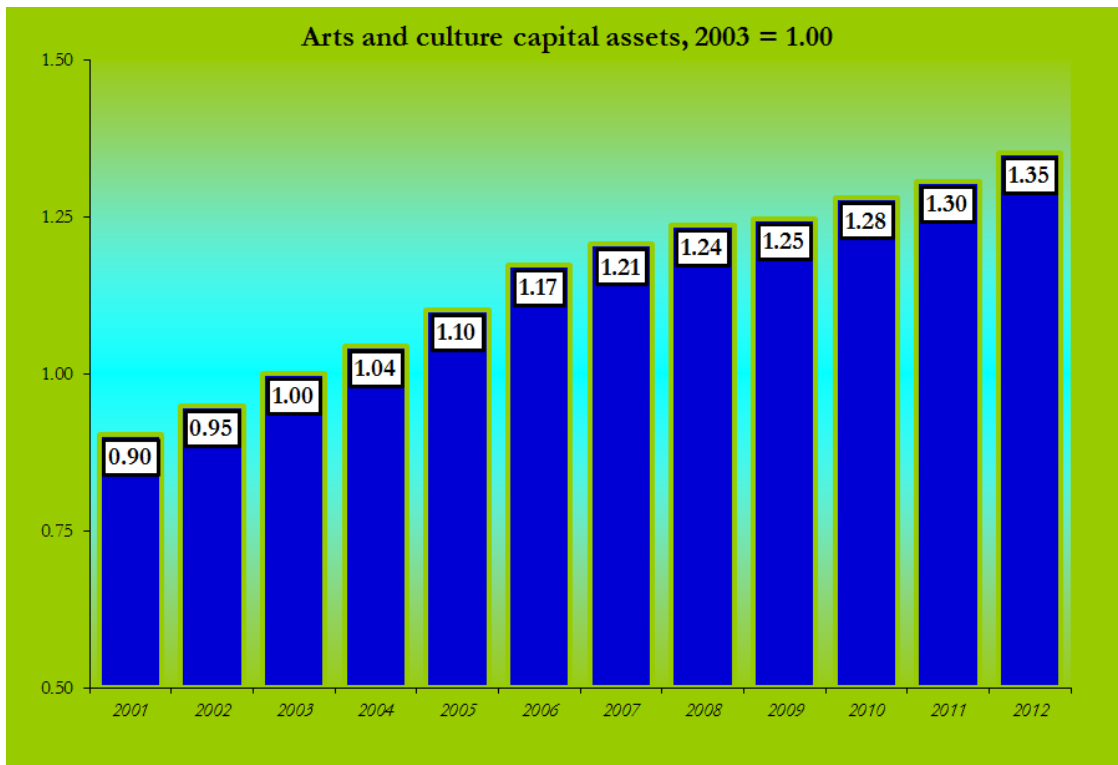


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Capital assets net of depreciation (\$M)	19,294	20,657	20,944	22,603	24,489	26,436	30,939	35,443	32,925	34,640	35,244	41,287
CPI at 2008 = 100.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5	106.6
Constant dollar net capital assets (\$M)	23,455	24,722	24,507	25,761	26,997	28,233	32,127	35,443	33,042	34,202	33,734	38,717
Indexed to 2003 = 1.00	0.96	1.01	1.00	1.05	1.10	1.15	1.31	1.45	1.35	1.40	1.38	1.58

32. ARTISTIC ASSETS IN THE NATIONAL INCOME ACCOUNTS (NEW INDICATOR IN 2014)

Arts and culture activities produce opportunities for experiences and engagement by individuals. Another function of the arts economy is that it is a source of products that endure far longer than transient performances. Among these are long-lived artistic originals such as books, records, and movies. Other indicators in this report refer to the annual production and consumption of such artistic originals, but there has not been any evidence of how the value of these artistic original products has accumulated over the years. In 2013, the Bureau of Economic Analysis (BEA) made adjustments to its National Income and Product Accounts to more formally recognize the contributions of these long-lived artistic assets to overall economic growth.

This indicator measures the total worth of these artistic assets, and it shows that their accumulating value over the years from 2001 to 2012 has been very substantial. These assets totaled more than \$450 billion in 2012 in current dollars. Television programs and books had the strongest rise, while the value of music assets declined slightly, possibly as a result of illegal downloading reducing the revenue received by the owners of music copyrights. The revision of the NIPA system to accommodate artistic assets and other intellectual property has resulted in a higher measure of GDP, now that BEA is recognizing the value of these long-lived assets.



All figures \$M	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Theatrical movies	105,685	111,954	118,775	124,386	131,168	141,329	146,028	150,347	151,182	158,416	162,121	169,335
Long-lived television programs	97,289	102,665	109,105	113,850	122,343	132,692	136,348	139,531	140,408	142,851	146,056	152,215
Books	51,579	54,197	56,658	59,790	62,701	65,428	68,368	71,274	73,752	75,761	78,410	80,549
Music	25,463	25,859	26,410	27,203	27,289	27,170	26,580	26,181	25,436	24,951	24,267	24,550
Other entertainment originals	23,059	24,110	24,895	25,596	26,148	26,961	27,503	27,975	27,976	27,505	27,417	27,301
Total arts and culture capital assets	303,075	318,785	335,843	350,825	369,649	393,580	404,827	415,308	418,754	429,484	438,271	453,950
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	106.6
Constant dollar value of long-lived arts and culture assets	368,447	381,514	392,973	399,855	407,503	420,326	420,365	415,308	420,243	424,056	419,490	425,696
Indexed to 2003 = 1.00	0.91	0.96	1.00	1.04	1.08	1.13	1.18	1.22	1.28	1.30	1.10	1.04

CHAPTER 5. ARTS PARTICIPATION INDICATORS

There are 22 indicators of *Arts Participation* for 2012. The indicators in this dimension represent arts and culture activity in society and in the markets. While Financial Flows indicators in Chapter 2 were all measured in dollars, Arts Participation indicators mainly measure activity and experience in the arts, in the form of personal engagement. Examples include being a part of audiences for public broadcasting, museums, live performances, spending time on cultural experiences, and donating time and money. Here, however, they are tracked mainly in terms of numbers of people.

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

TABLE 6. ARTS PARTICIPATION INDICATORS

33.	Copyright applications
34.	Personal expenditures on arts and culture
35.	Engagement in the arts (new indicator in 2014)
36.	New work in theatre, orchestra, opera, Broadway, and film
37.	Books published on music, theatre, dance, or art
38.	Volunteering for arts organizations
39.	Arts work in volunteering
40.	Performance of SAT test takers with four years of art or music
41.	Arts majors by college bound seniors
42.	Visual and performing arts degrees
43.	Non-commercial radio listenership
44.	Public television viewing
45.	Foreign visitor participation in arts and culture activity
46.	Attendance at Broadway shows in New York City
47.	Attendance at touring Broadway shows
48.	Attendance at live popular music
49.	Attendance at symphony, dance, opera, and theatre
51.	Art museum visits
52.	Opera attendance
53.	Symphony attendance
54.	Nonprofit professional theatre attendance

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

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

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

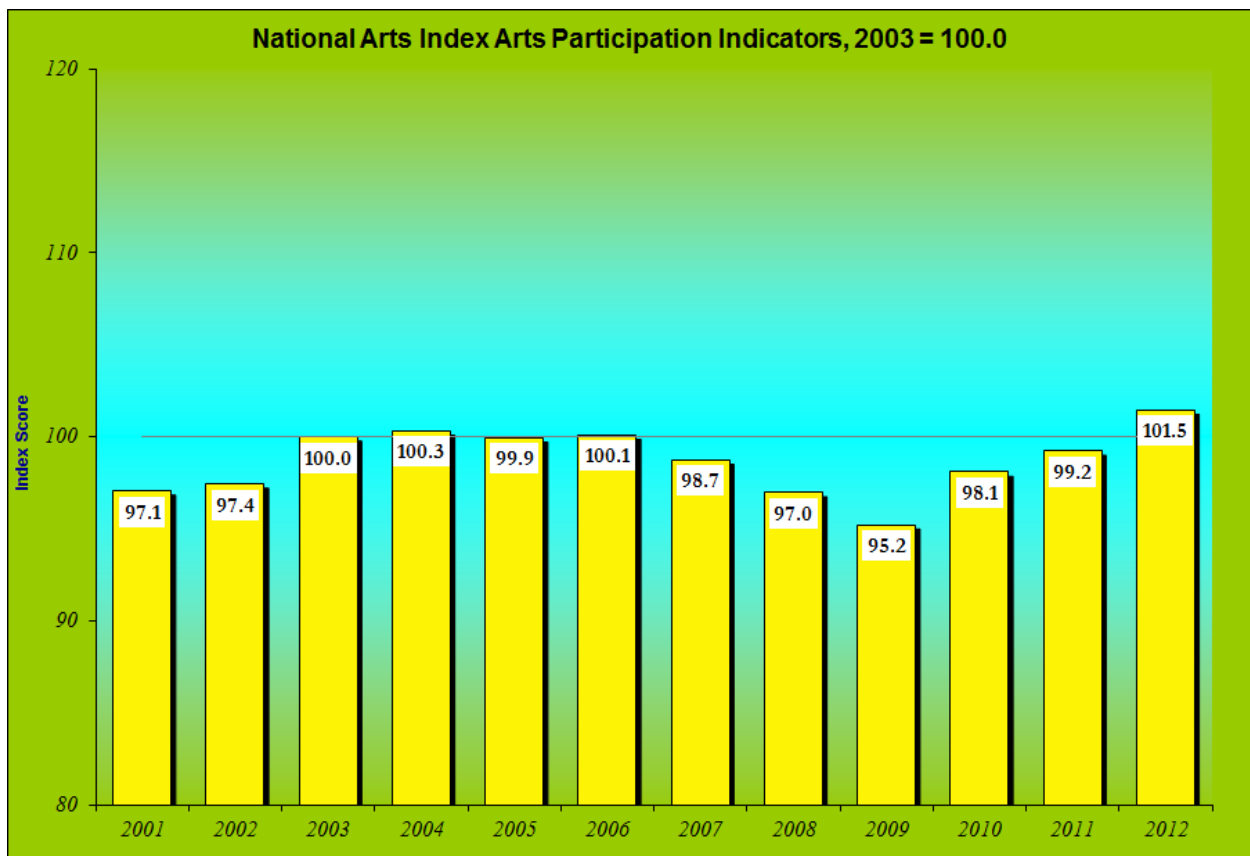


FIGURE F. NATIONAL ARTS INDEX ARTS PARTICIPATION INDICATORS (2003 = 100.0)

The Capacity indicators in Chapter 4 showed a steady increase over most of the decade of the 2000s, followed by a decline and leveling off. An initial look at the Figure F suggests a different pattern for the delivery and consumption of arts services, one of sharp changes up and down. In earlier Index reports, it seemed that the vigor of the arts industries (the supply side) was not matched by a parallel increase in participation and engagement. Capacity expanded, and then leveled off, but for many of those years, demand did not keep pace when measured by the number of people consuming. An on-going upward trend in arts consumption and participation apparently continued into 2012.

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

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 designated marketing areas) indicates generally stable numbers attending performing arts events (symphony, dance, opera, theater). Service organizations in theatre and opera reported larger audiences in 2012. 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 grew in 2012.

A new Arts Participation indicator is Engagement in the Arts (#35), using data from the federal government's American Time Use Studies. It shows an average of about 3.1 percent of the population engaged in "Arts or Entertainment" every day, spending about 2.6 hours per day.

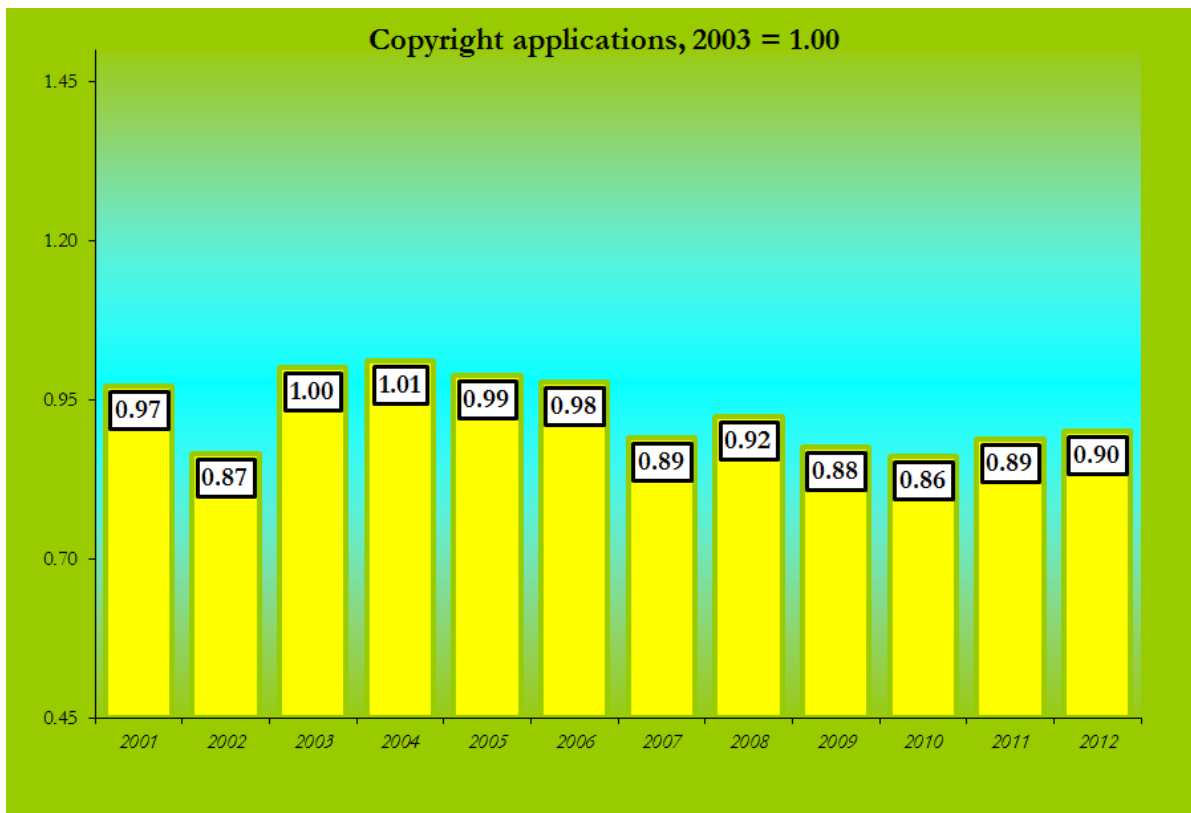
The increase in Arts Participation in 2012 is another positive finding in this report. In past reports, we were concerned about levels of production and consumption of the arts. We saw that despite the virtues of the arts, the attention they receive, and the increase in arts capacity, demand was not vigorous. Now, considering the 2012 data on Arts Participation, we anticipate further increases in 2013 and beyond.

The individual indicators described in the following 22 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. Cumulatively, they result in an Arts Participation score of 101.5 for 2012. Two indicators stayed the same from 2011, 13 increased, and seven decreased.

33. COPYRIGHT APPLICATIONS

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

This indicator measures the number of claims to copyright made in each year in the U.S. Claims differ from registration in the fact 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 rose through 2012 to 547,000.

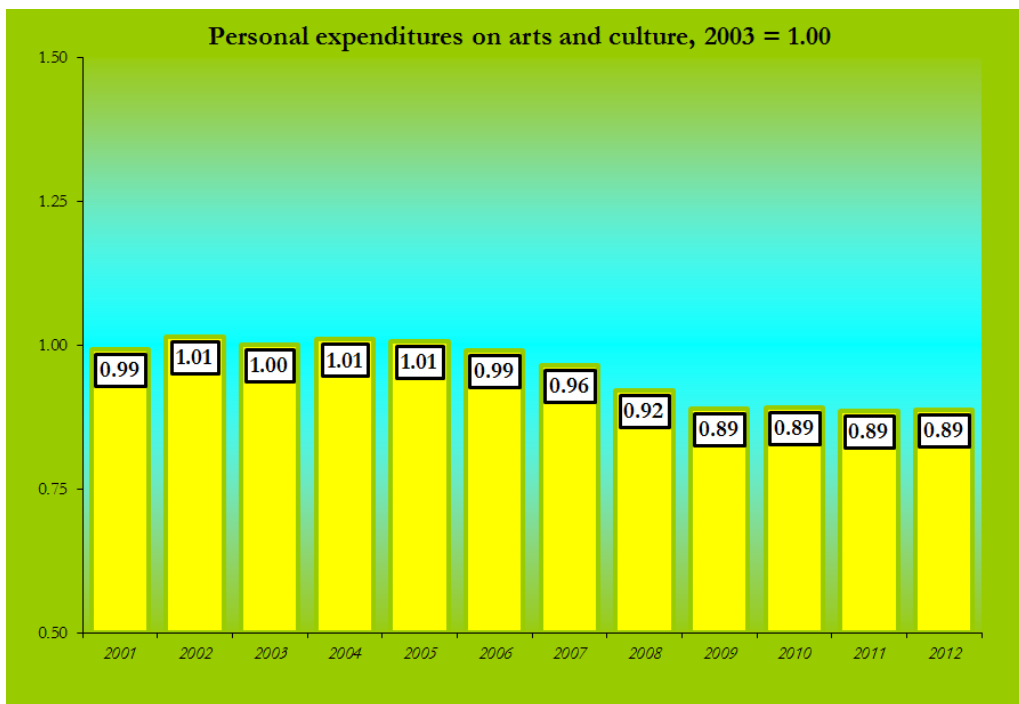


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Copyrights registered	601,659	521,041	534,122	661,469	531,720	520,906	526,378	232,907	382,086	636,537	509,912	670,004
Copyrights claims received	590,091	526,138	607,492	614,235	600,535	594,125	541,212	561,428	532,370	522,796	539,332	546,597
Indexed to 2003 = 1.00	0.97	0.87	1.00	1.01	0.99	0.98	0.89	0.92	0.88	0.86	0.89	0.90

34. PERSONAL EXPENDITURES ON ARTS AND CULTURE

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

This indicator measures the total of those expenditures, and is the largest-scale economic indicator in this Index. This is fitting, because it is personal expenditure that is motivated and produced by underlying demand for arts and culture. Over time, arts and culture spending has failed to keep up with inflation, and constant dollar expenditure declined through 2009, leveling off through 2012 to about \$151 billion. Note: In its latest benchmarking, BEA changed the names and emphases of some accounts, requiring adjustment in the consumer expenditure categories tracked in the Index. This report presents the new categories. The adjustment results in total arts and culture personal spending being reported about four percent lower for past years than in prior NAI reports. However, the Index score relative to 2003=1.00 has maintained the same pattern of growth and decline.

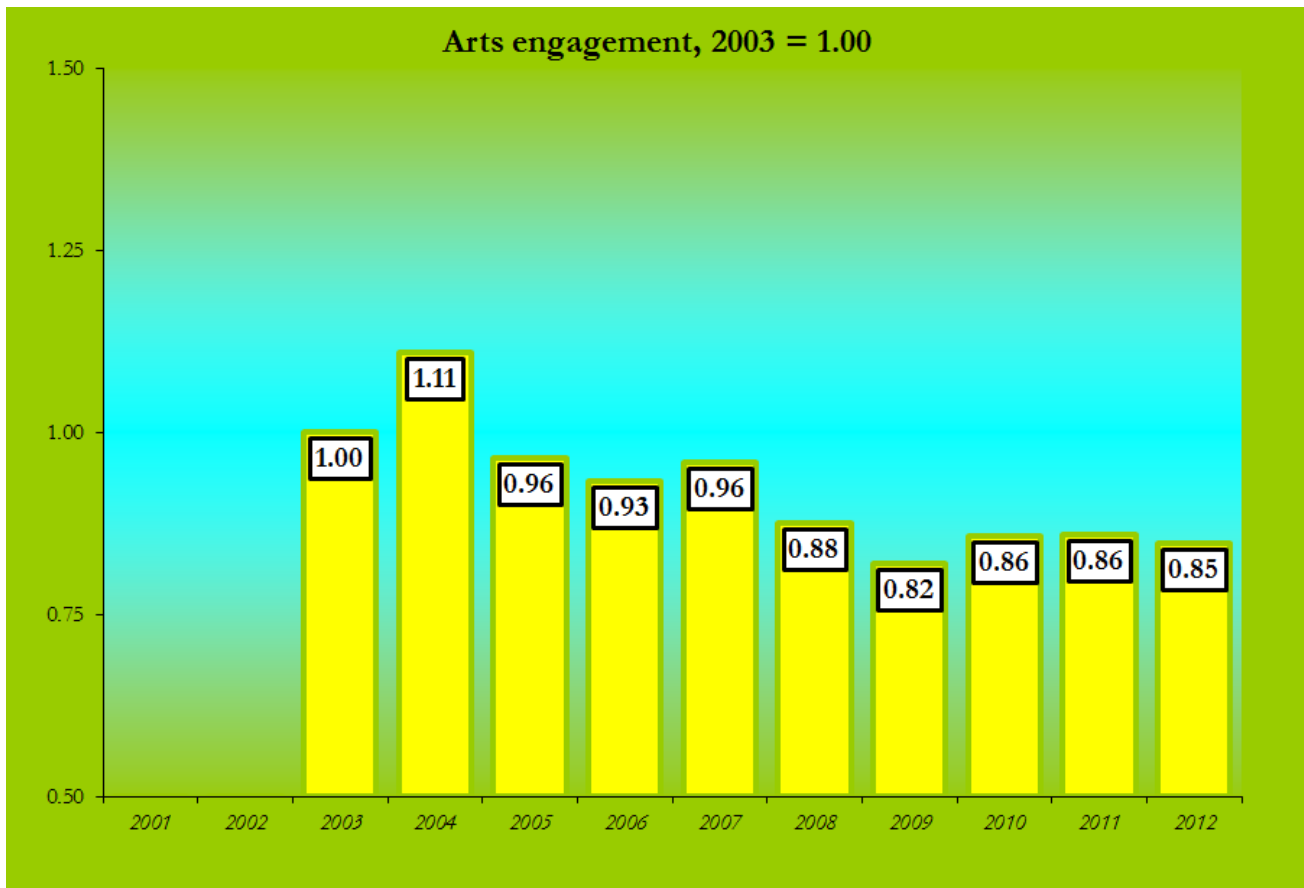


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
All figures in \$M												
Audio equipment	17,945	18,573	18,201	19,527	22,010	22,425	21,108	20,416	18,179	18,594	19,075	19,628
Educational books	9,230	9,702	9,854	9,877	9,774	9,666	9,422	9,451	9,192	9,429	9,393	9,668
Live entertainment, excluding sports	11,104	11,880	13,854	15,903	18,253	20,735	23,647	24,338	25,198	26,305	28,221	29,401
Motion picture theaters	8,993	9,597	9,907	9,950	9,741	10,371	10,885	10,957	11,497	11,766	11,439	11,682
Museums and libraries	4,051	4,787	5,199	5,581	6,357	6,476	6,153	6,222	6,068	6,129	6,333	6,093
Musical instruments	4,932	5,180	5,063	5,326	5,318	5,521	5,391	5,134	4,572	4,578	4,667	5,141
Photo processing	6,060	5,946	5,691	5,146	4,007	2,981	2,878	2,648	2,468	2,480	2,818	2,662
Photo studios	6,635	6,546	6,616	6,718	6,869	6,947	7,284	7,361	6,964	6,939	6,950	6,722
Photographic equipment	3,638	3,641	3,866	4,171	4,382	4,597	4,878	4,708	4,232	4,325	4,427	4,500
Prerecorded/blank audio discs/ tapes/digital files/downloads	19,288	19,007	17,270	16,726	16,025	14,991	13,943	13,875	13,362	13,877	14,692	15,367
Recreational books	24,749	25,902	26,514	26,868	26,976	27,164	27,078	27,164	26,424	27,116	27,026	27,827
Repair of audio-visual, photographic, and info processing equipment	13,553	14,432	14,368	15,497	16,058	16,063	15,417	14,721	13,120	12,575	12,606	12,345
Video cassettes and discs, blank and prerecorded	8,585	7,919	8,500	8,959	7,994	8,266	8,449	7,721	6,718	5,985	5,046	4,657
Total personal spending on selected goods	130,178	135,193	136,403	141,290	145,770	147,937	148,084	146,995	141,276	144,113	147,647	151,036
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	106.6
Constant dollar spending on selected goods	158,257	161,796	159,606	161,036	160,698	157,990	153,768	146,995	141,778	142,292	141,320	141,635
Indexed to 2003 = 1.00	0.99	1.01	1.00	1.01	1.01	0.99	0.96	0.92	0.89	0.89	0.89	0.89

35. ENGAGEMENT IN THE ARTS (NEW INDICATOR IN 2014)

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

This indicator uses data from the ATUS to evaluate both approaches to overall engagement in the arts by the American public. From 2003 to 2012, an average of 3.4 percent of Americans spent at least some time engaged in the activity. Those who did spent an average of 2.6 hours per day engaged in the arts over those years. Generally, the percentage of people engaged in the activity declined over those years, while daily engagement remained generally steady. Because both the percentage of people engaged and their personal time commitment to the activity are significant, they are combined here by multiplying both aspects to create an index of time use in the arts.

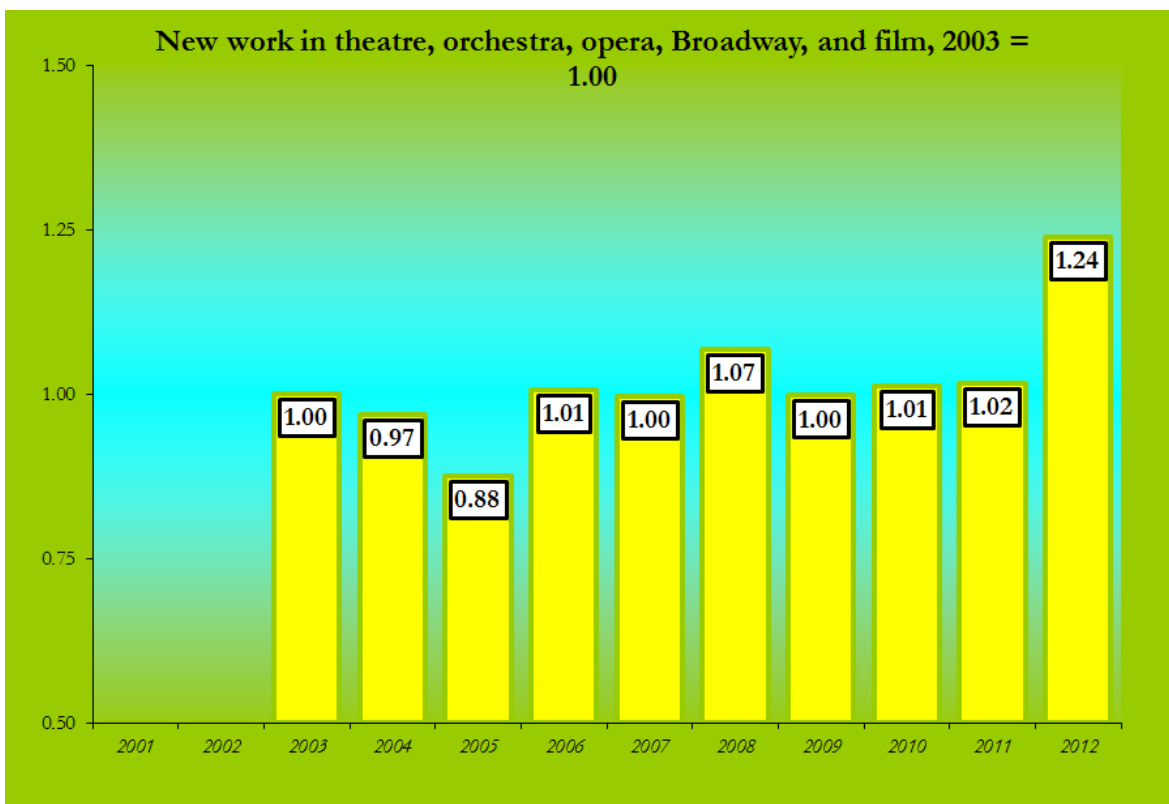


	2001-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Average percent engaged in the activity per day		3.8	4.2	3.5	3.6	3.5	3.2	3.1	3	2.9	3.1
Average hours per day for people who engaged in the activity		2.53	2.54	2.65	2.49	2.63	2.63	2.54	2.75	2.85	2.63
Engagement index (percent engaged x hours x day)	N/D	9.61	10.67	9.28	8.96	9.21	8.42	7.87	8.25	8.27	8.15
Indexed to 2003 = 1.00		1.00	1.11	0.96	0.93	0.96	0.88	0.82	0.86	0.86	0.85

36. 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, as works take time to create, and performing arts seasons and films are planned years in advance. Thus, the increases probably reflect an optimism and willingness to invest from prior years. Between 2005 and 2012, there was a 42 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.

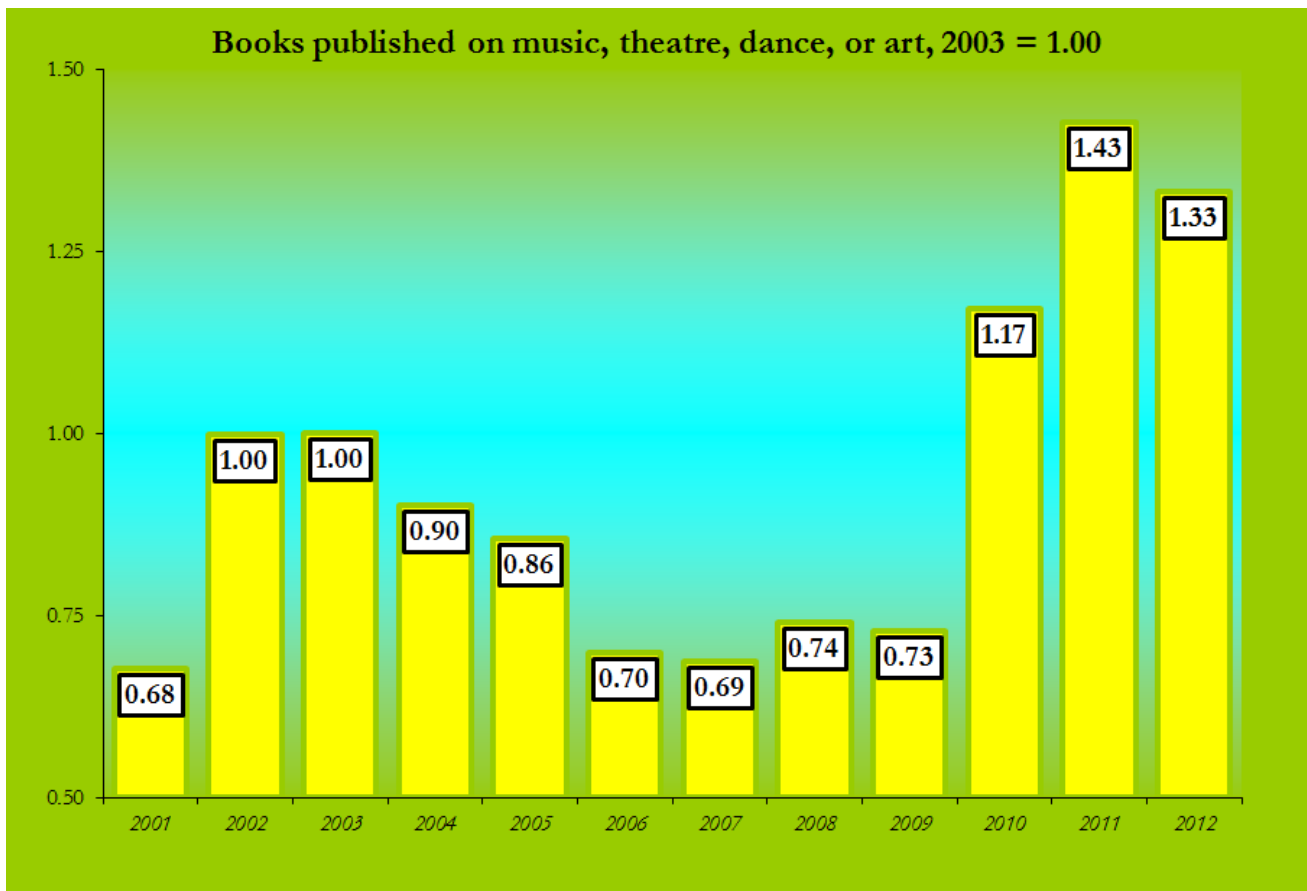


	2001-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
World premieres performed by American opera companies		8	13	9	8	10	19	24	20	10	18
New productions on Broadway		36	33	39	39	35	36	43	39	42	41
World premieres performed by American orchestras		104	109	79	111	124	139	150	173	124	215
World premieres performed by American theatres		262	278	240	261	247	242	261	262	278	317
Movies released		507	594	611	638	557	563	603	507	594	677
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	1,268
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	1.24

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

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

This indicator shows the number of books published annually that are coded with the terms “music,” “theatre,” “dance,” or “art.” The total number of books published in all subjects increased since 2006, as Bowker issued ISBNs to more self-published, internet-published, and print-on-demand books—a change that prompted big jumps starting in 2010 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. In 2012, about 13,000 books on these subjects were published.

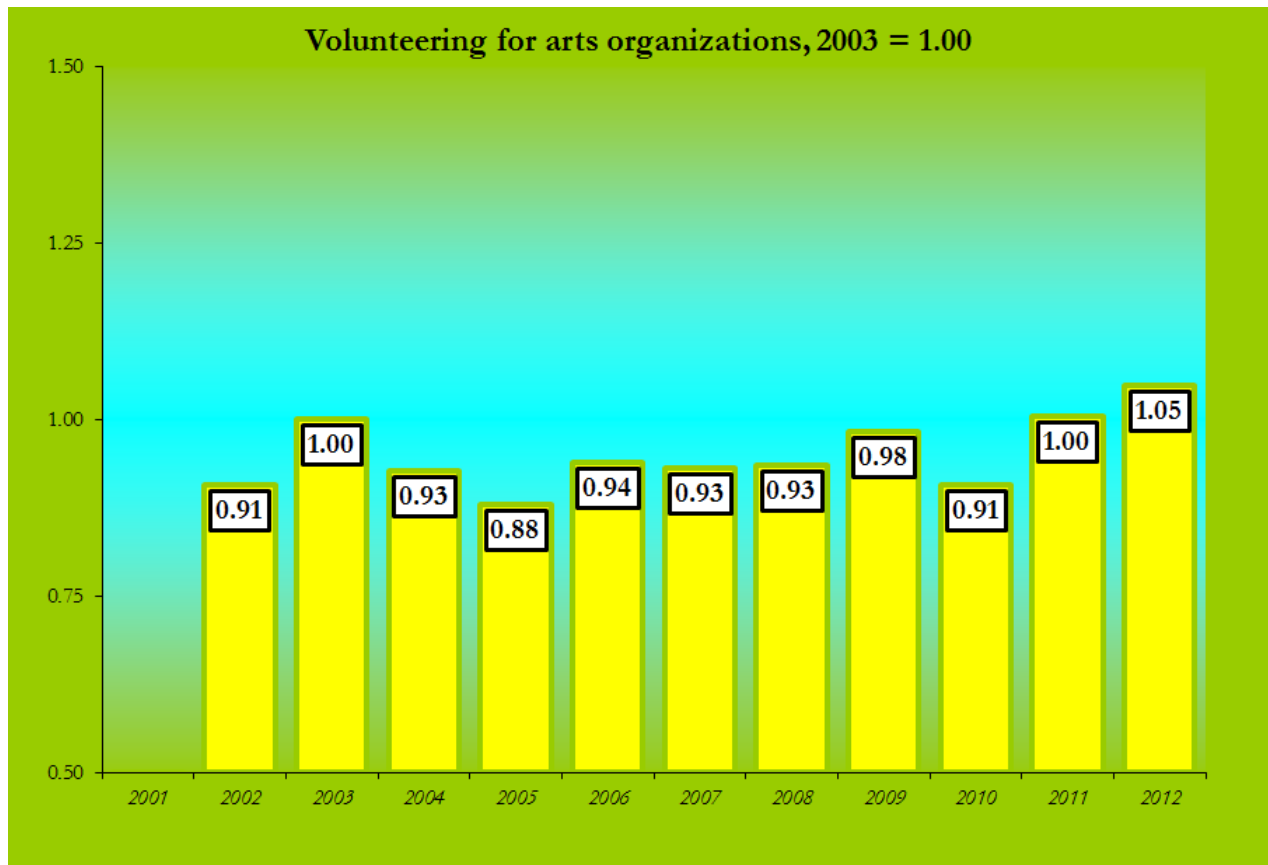


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Books published on music, theatre, dance, or art	6,588	9,703	9,729	8,759	8,319	6,802	6,678	7,196	7,092	11,390	13,875	12,962
Indexed to 2003 = 1.00	0.68	1.00	1.00	0.90	0.86	0.70	0.69	0.74	0.73	1.17	1.43	1.33

38. VOLUNTEERING FOR THE ARTS

Nonprofit arts organizations staff their programs by using paid staff and/or unpaid volunteers. Voluntarism is critical to the arts. Some arts organizations, like choruses and community theatre, rely solely on volunteers. Others, like urban symphonies, may more likely be staffed with professionals. 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 grew in 2011 and 2012. It is noteworthy that the largest increase was in people making the arts their first choice of volunteerism. Recent figures show a steady or growing level of participation in volunteering in the arts, even while total volunteering has declined somewhat. See also indicator #39, which presents another view of volunteer work in the arts.

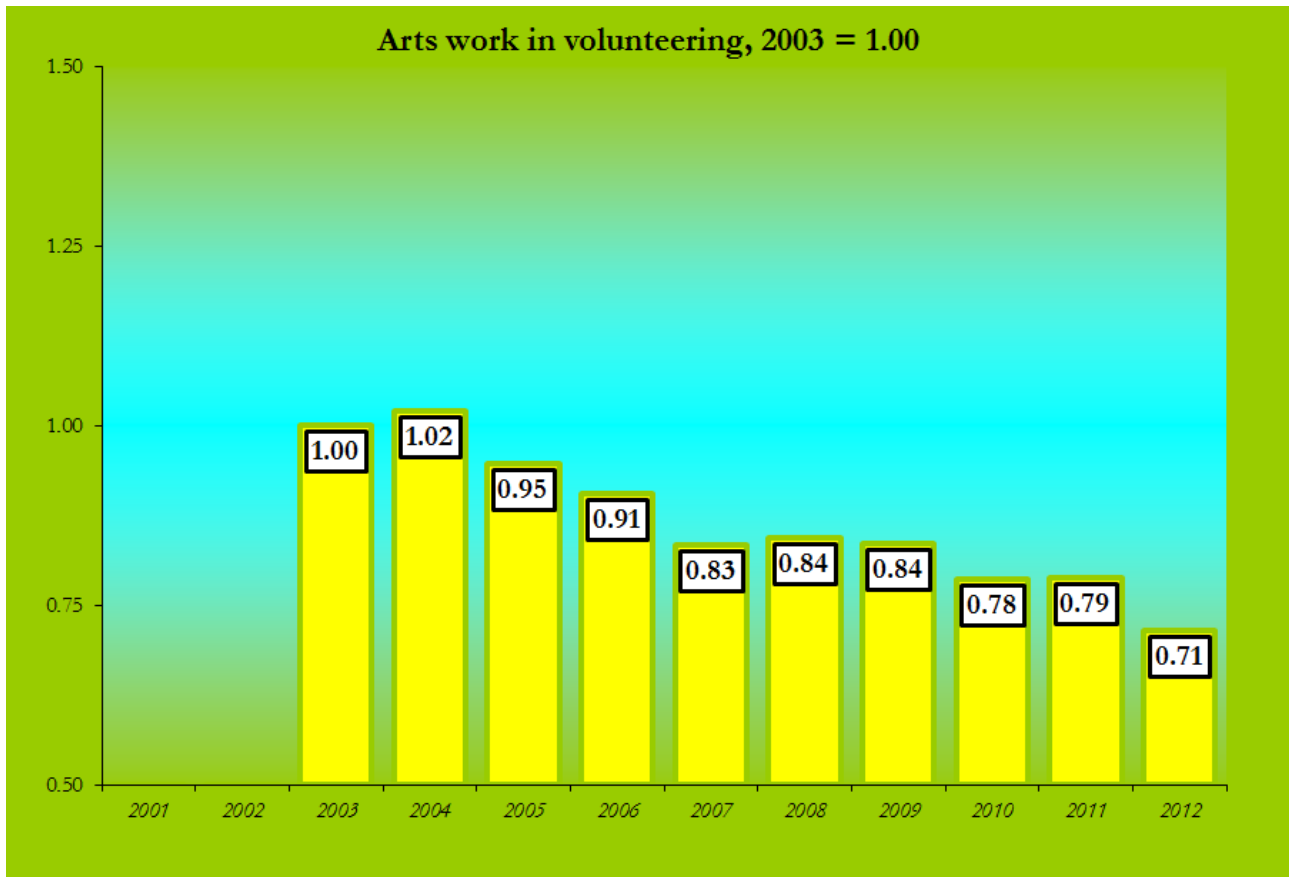


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
All figures 000												
Volunteering for arts organizations (1st)		1,092.6	1,205.6	1,029.5	1,037.3	1,166.5	1,084.9	1,082.4	1,123.6	1,118.1	1,218.2	1,250.2
Volunteering for arts organizations (2nd)		476.7	568.6	595.1	517.7	480.2	503.3	552.1	611.3	473.1	589.8	630.0
Volunteering for arts organizations (3rd)		249.9	232.5	236.2	210.7	237.4	278.4	241.0	235.6	229.9	208.3	222.3
Volunteering for arts orgs (1st, 2nd, or 3rd)		1,819.2	2,006.7	1,860.8	1,765.8	1,884.2	1,866.6	1,875.4	1,970.4	1,821.1	2,016.3	2,102.5
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	1.05

39. ARTS WORK IN VOLUNTEERING

As with other indicators of the arts labor market in this report, there is a distinction between arts work and an arts workplace, even in volunteer work. Indicator #38 addressed the issue of the 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 2012, an estimated 5.7 million volunteers said that they serve mainly as artists—a figure much larger than the number of people whose first choices of volunteer organization is in the arts sector. This number has declined sharply since 2003, when almost 8 million people indicated arts work as their main volunteer activity.

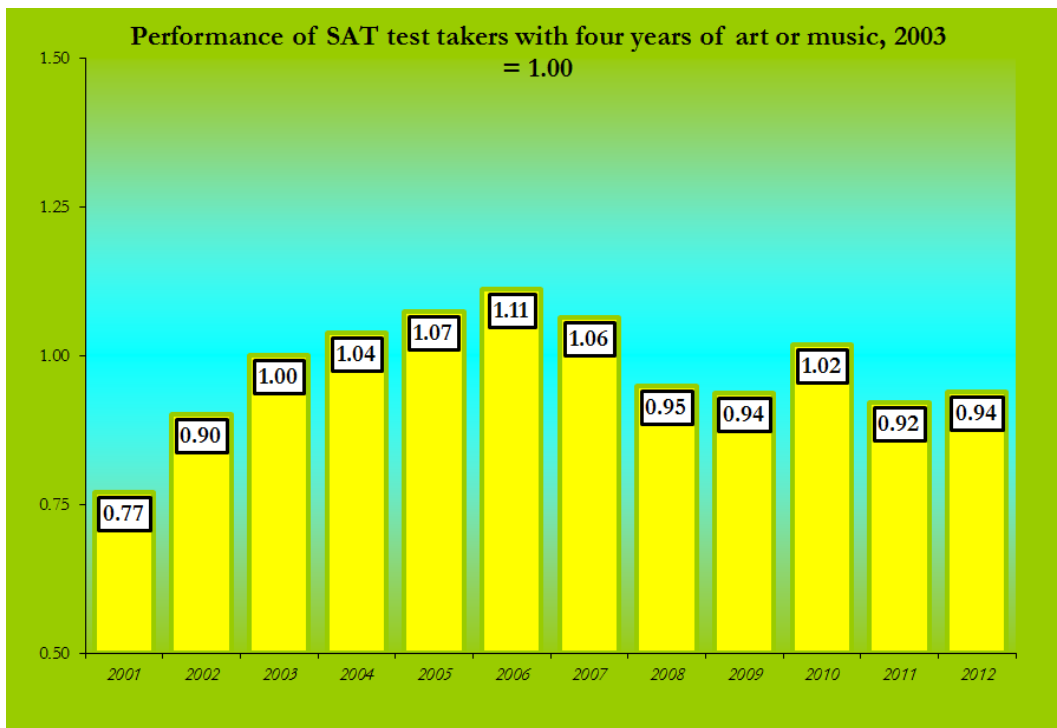


	2001-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Main activity in volunteering is making music or other arts (000)		7,962.3	8,221.2	7,719.6	7,254.7	6,297.9	6,465.8	6,568.1	6,079.8	6,247.0	5,679.0
All volunteers (000)		63,931.1	64,671.2	65,453.8	64,316.9	60,658.1	61,553.5	63,110.1	62,187.9	63,611.5	63,914.7
Arts volunteering as share of all arts activity		12.50%	12.70%	11.80%	11.30%	10.40%	10.50%	10.40%	9.80%	9.80%	8.89%
Indexed to 2003 = 1.00	N/D	1.00	1.02	0.95	0.91	0.83	0.84	0.84	0.78	0.79	0.71

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

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

This indicator is the percentage difference in SAT scores between students with four years of art or music courses and the scores of all other test takers. It is calculated by taking the total of 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.

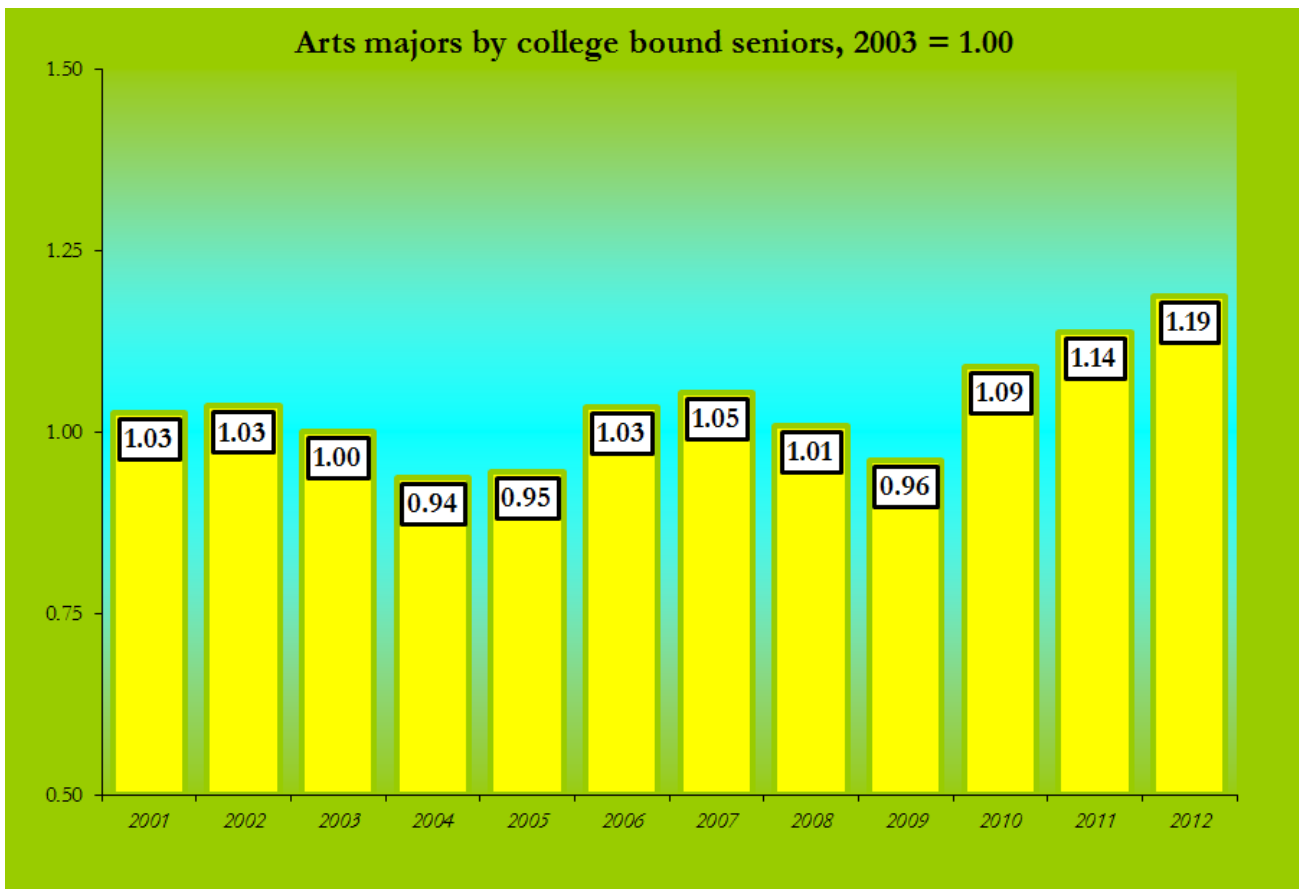


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Mean score of SAT 1 test takers with four years art and/or music	1,065	1,070	1,075	1,074	1,084	1,083	1,080	1,063	1,070	1,075	1,057	1,035
Mean score of all other SAT 1 test takers	1,017	1,014	1,013	1,010	1,017	1,014	1,014	1,005	1,012	1,012	1,001	980
Mean score of SAT 1 test takers with four years art and/or music less minimum score	665	670	675	674	684	683	680	663	670	675	601	635
Mean score of all other SAT 1 test takers less minimum score	617	614	613	610	617	614	614	605	612	612	601	580
Performance margin for four years	7.8%	9.1%	10.1%	10.5%	10.9%	11.2%	10.7%	9.6%	9.5%	10.3%	9.3%	9.5%
Indexed to 2003 = 1.00	0.77	0.90	1.00	1.04	1.07	1.11	1.06	0.95	0.94	1.02	0.92	0.94

41. ARTS MAJORS BY COLLEGE-BOUND SENIORS

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

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

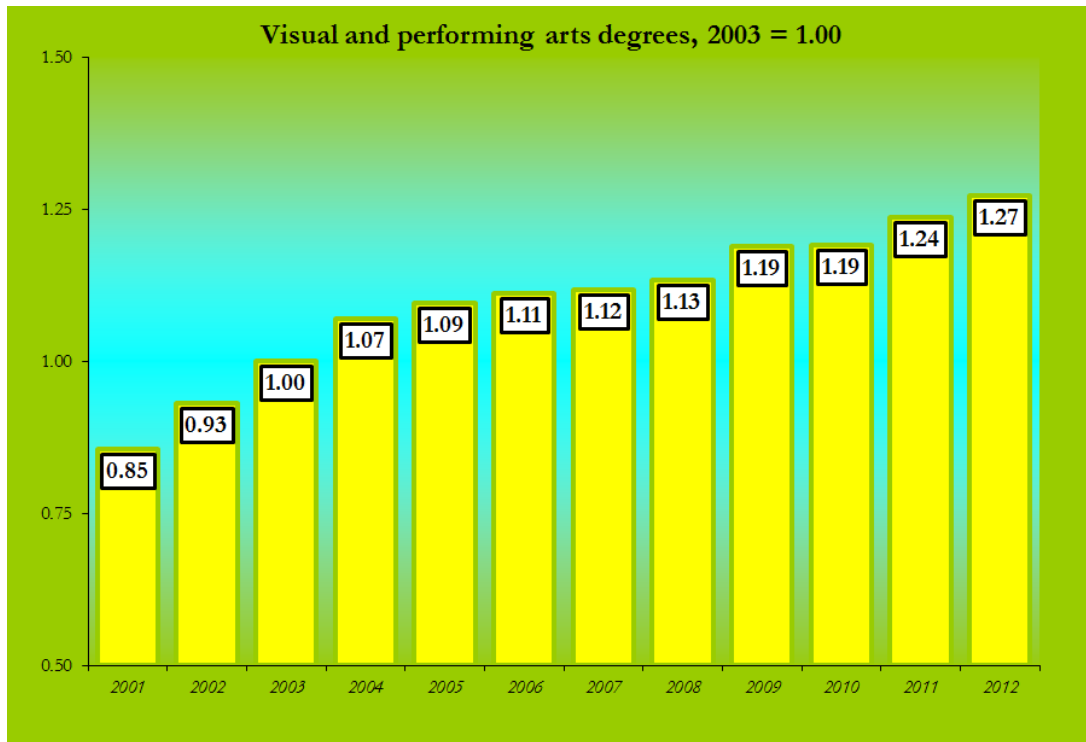


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
SAT test takers declaring a visual or performing arts major	80,154	79,865	75,823	76,172	84,367	84,828	88,575	81,784	84,946	97,709	105,073	104,897
All SAT test takers	1,368.9	1,425.9	1,504.8	1,519.9	1,576.0	1,465.7	1,494.5	1,518.9	1,530.1	1,647.1	1,647.1	1,664.5
Nonrespondents to Student Descriptive Questionnaire	250.3	321.6	420.0	355.7	299.2	292.1	290.8	358.8	265.4	264.3	325.8	398.7
All test takers declaring a major (000)	1,119	1,104	1,085	1,164	1,277	1,174	1,204	1,160	1,265	1,284	1,321	1,266
Visual and performing arts share of intended majors by SAT test takers	7.2%	7.2%	7.0%	6.5%	6.6%	7.2%	7.4%	7.1%	6.7%	7.6%	8.0%	8.29%
Indexed to 2003 = 1.00	1.03	1.03	1.00	0.94	0.95	1.03	1.05	1.01	0.96	1.09	1.14	1.19

42. VISUAL AND PERFORMING ARTS DEGREES

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

This indicator measures the total number of associates, bachelors, masters, and doctoral degrees in the visual and performing arts. From 2001 to 2012, more than 1.4 million degrees were awarded in visual and performing arts, with annual graduations growing steadily from 92,000 to 137,000—an increase of 50 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.

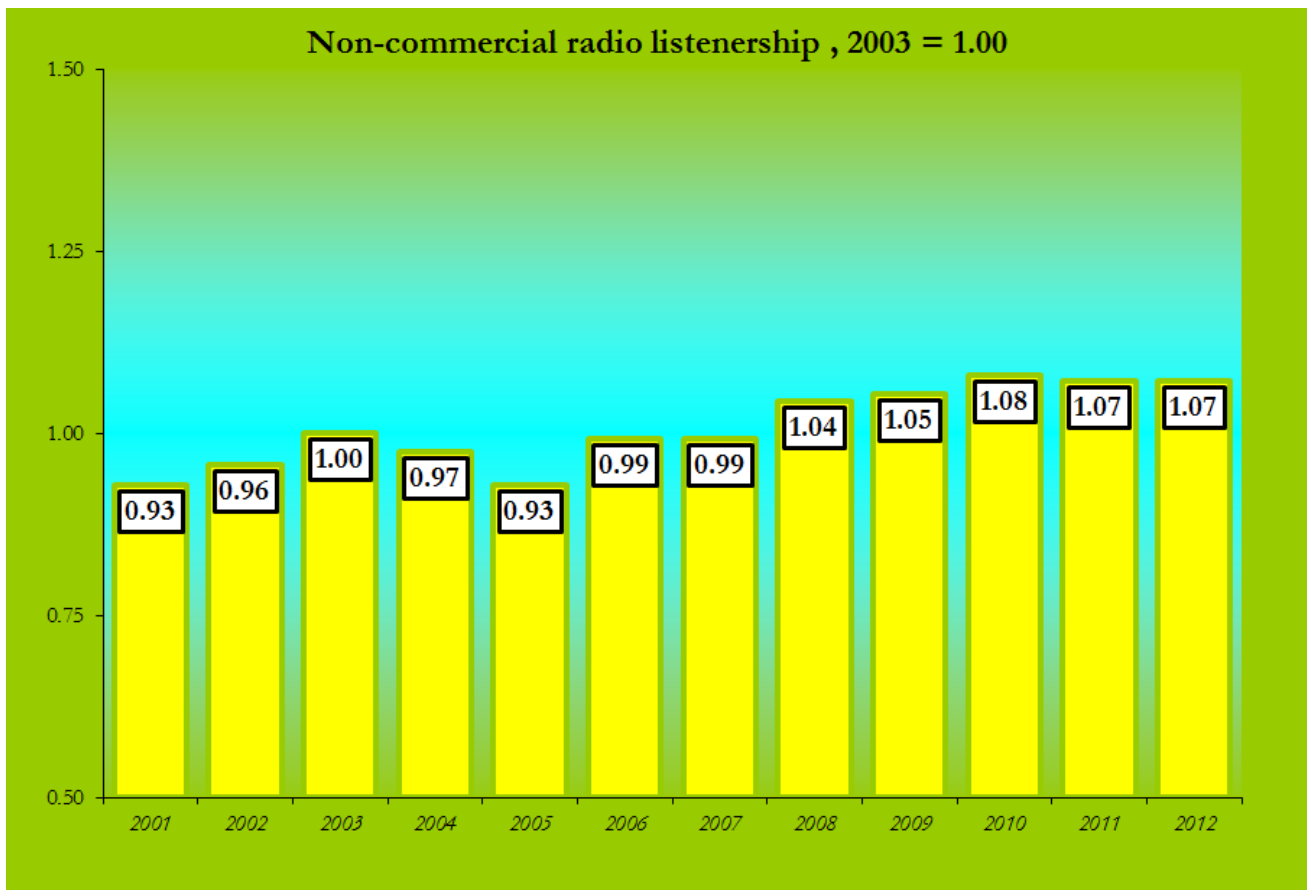


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Visual and performing arts associates degree	18,435	20,911	23,120	23,949	22,650	21,754	20,244	18,890	18,629	19,703	21,379	22,431
Visual and performing arts bachelors degree	61,148	66,773	71,482	77,181	80,955	83,297	85,186	87,703	93,009	91,802	93,956	95,797
Visual and performing arts masters degree	11,404	11,595	11,982	12,906	13,183	13,530	13,767	14,164	14,986	15,552	16,277	17,331
Visual and performing arts doctoral degree	1,167	1,114	1,293	1,282	1,278	1,383	1,364	1,453	919	1,599	1,646	1,728
All visual and performing arts degrees	92,154	100,393	107,877	115,318	118,066	119,964	120,561	122,210	127,557	128,656	133,258	137,287
Indexed to 2003 = 1.00	0.85	0.93	1.00	1.07	1.09	1.11	1.12	1.13	1.18	1.19	1.24	1.27

43. NON-COMMERCIAL RADIO LISTENERSHIP

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

This indicator measures the share of the U.S. population age 12 and older that listened to non-commercial radio supported by the Corporation for Public Broadcasting at least once during the year. The measure is calculated by Radio Research Consortium (RRC) for industry Arbitron ratings. These figures were reported by RRC through 2008, and since then in Arbitron’s “Public Radio Today” reports. Overall, public radio listenership has stayed stable relative to other kinds of arts consumption that have been more volatile. Public radio, in all its forms, attracted 11.3 percent of adults as listeners in 2003. This increased to 12.2 in 2010, and then declined slightly in 2011 and 2012. Because the population has been growing, this represents a progressively larger listenership.

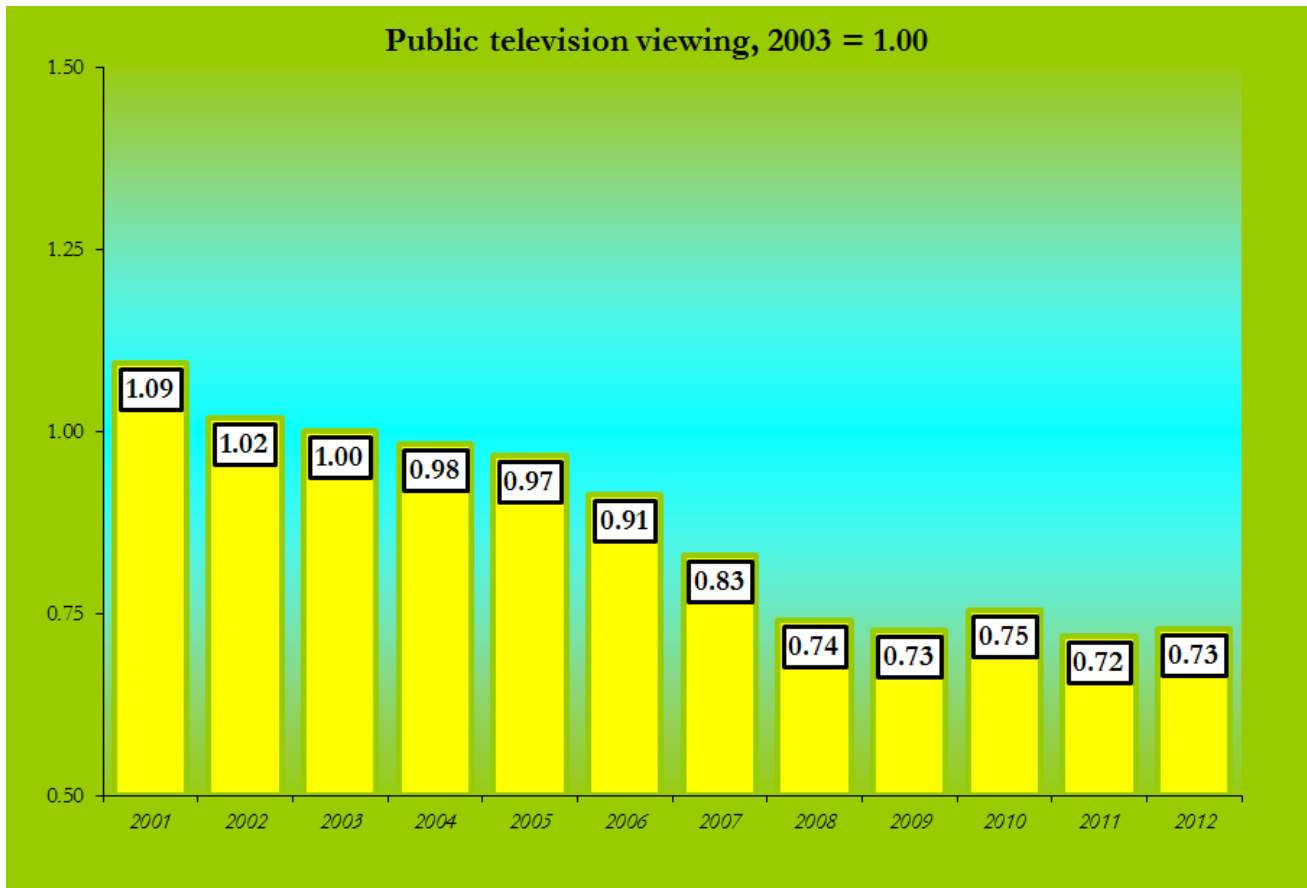


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Share of U.S. Population listening to non-commercial radio	10.5	10.8	11.3	11.0	10.5	11.2	11.2	11.8	11.9	12.2	12.1	12.1
Indexed to 2003 = 1.00	0.93	0.96	1.00	0.97	0.93	0.99	0.99	1.04	1.05	1.08	1.07	1.07

44. PUBLIC TELEVISION VIEWING

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

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

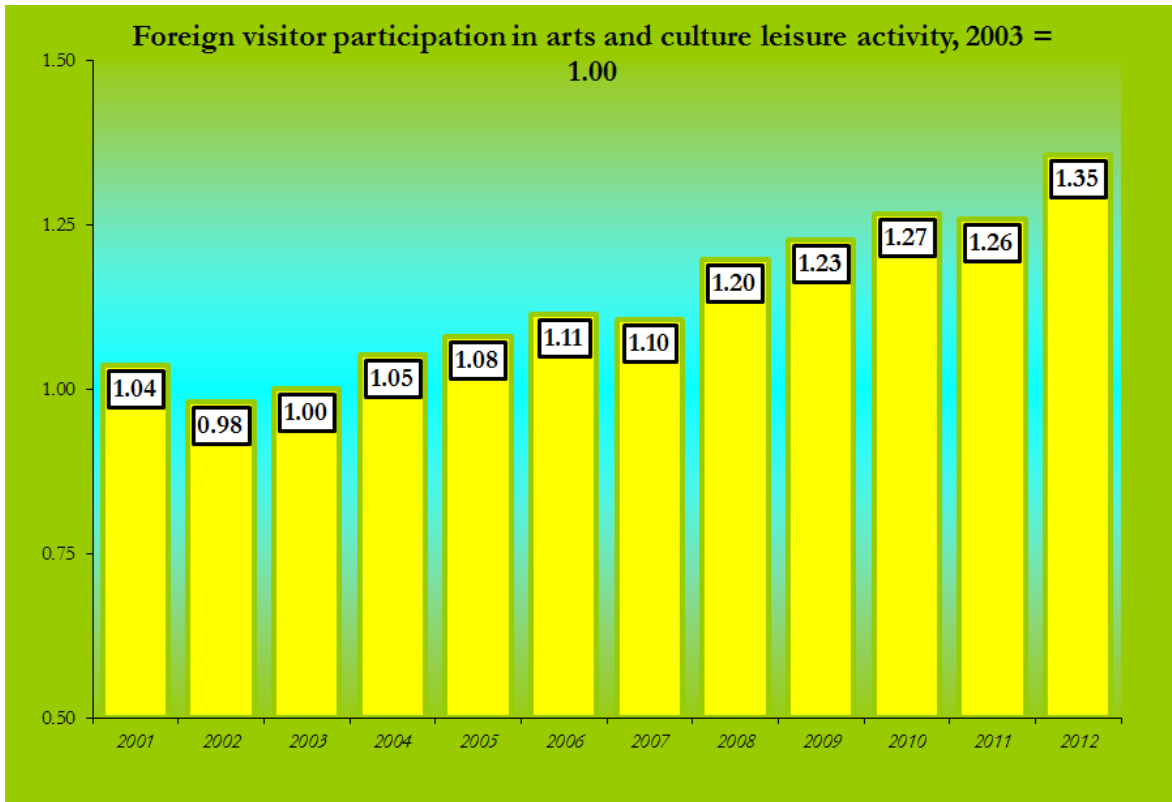


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Household “Cume”	51.4	47.8	47.0	46.2	45.4	42.9	39.0	34.8	34.1	35.4	33.8	34.2
Indexed to 2003 = 1.00	1.09	1.02	1.00	0.98	0.97	0.91	0.83	0.74	0.73	0.75	0.72	0.73

45. FOREIGN VISITOR PARTICIPATION IN ARTS AND CULTURE ACTIVITIES

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

This indicator measures the participation in six arts and culture activities by tourists who fly to the U.S. The data are collected by the International Trade Administration 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 almost 42,000 in 2012. The indicator showed fairly steady growth from 2002 through 2012. In its periodic review, ITA's newest version of the survey omits some categories. To maintain continuity of the Index, 2012 values for these categories were estimated as the average of three different forecasts using 2002-2011 data.

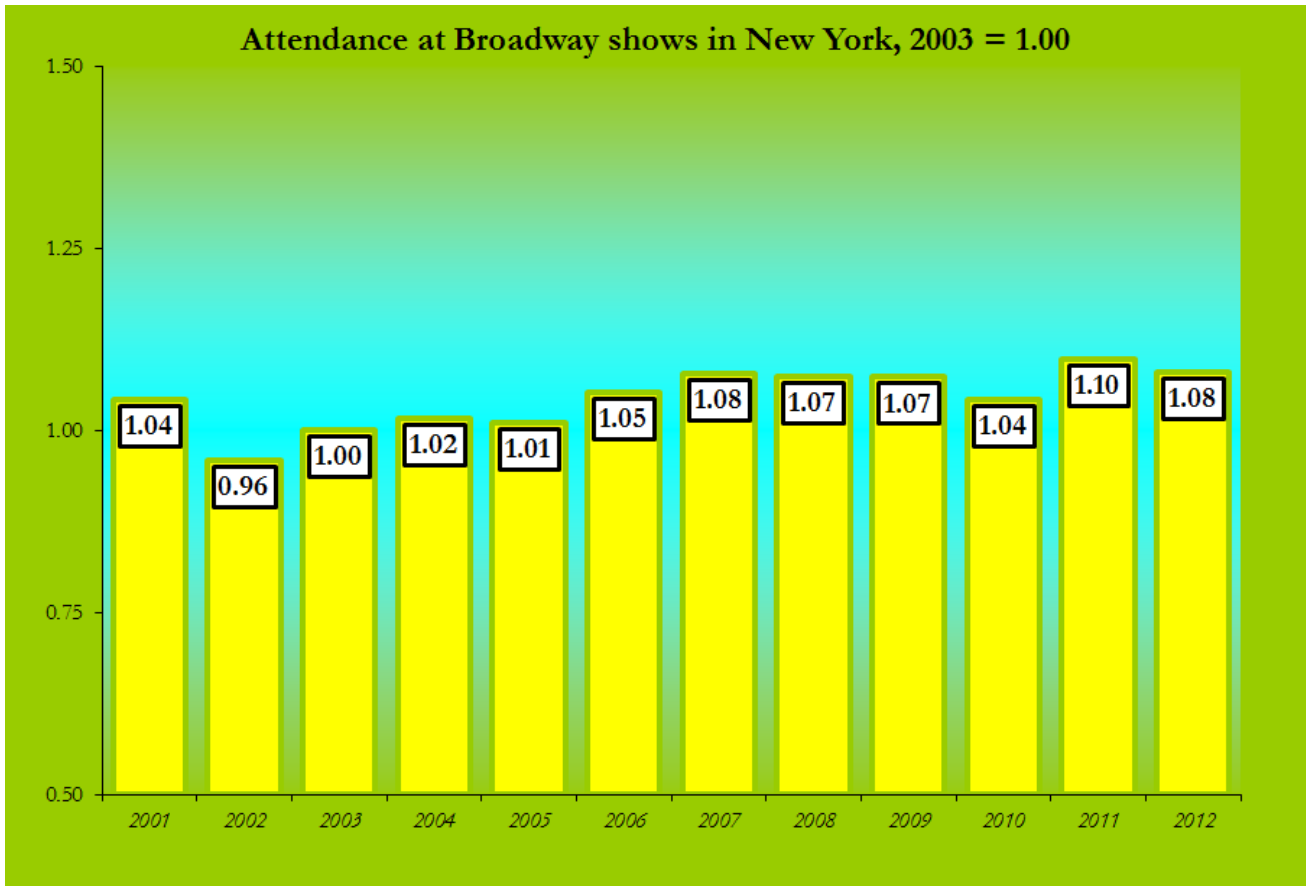


(Percent attending)	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Art Gallery/Museum	19.4	18.1	17.7	18.9	20.2	20.4	21.1	22.3	23.5	24.1	23.5	28.4
Concert/Play/Musical	12.3	12.9	13.7	13.4	14.7	14.5	15.3	16.3	16.8	17.1	16.6	18.4
Cultural Heritage Sites	18.4	17.7	18.1	19.4	18.5	19.9	19.5	22.2	22.7	23.7	24.1	25.2
Ethnic Heritage Sites	4.9	4.6	4.9	4.8	4.5	5.2	4.1	4.3	4.2	4.4	4.4	4.1
Visit Am. Indian Comm.	3.8	3	3.1	3.7	3.3	3.2	2.9	3.4	3.2	3.6	3.5	4.8
Visit Historical Places	33.3	30.9	31.4	33.3	34.8	35.7	35.3	37.9	38.6	39.7	39.7	39.5
Cumulative foreign visitor participation in arts and culture leisure activity	92.1	87.2	88.9	93.5	96	98.9	98.2	106	109	113	112	120.4
Indexed to 2003 = 1.00	1.04	0.98	1	1.05	1.08	1.11	1.1	1.2	1.23	1.27	1.26	1.36

46. 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 steadily increasing multi-year trend, with attendance in 2012 at 12.3 million, slightly below an historic high in 2011.

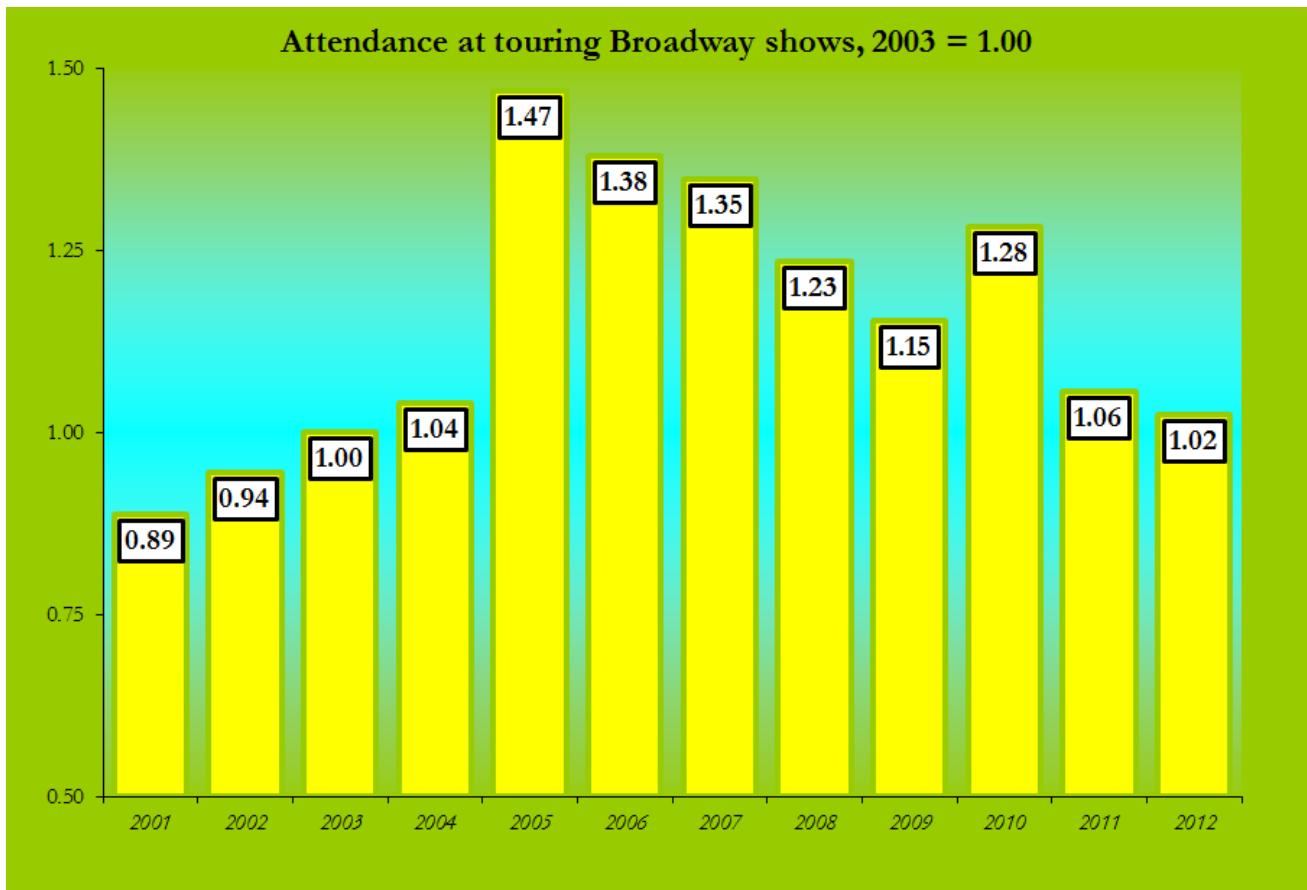


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total Attendance (000)	11,896	10,955	11,423	11,605	11,527	12,003	12,312	12,267	12,250	11,890	12,530	12,330
Indexed to 2003 = 1.00	1.04	0.96	1.00	1.02	1.01	1.05	1.08	1.07	1.07	1.04	1.10	1.08

47. ATTENDANCE AT TOURING BROADWAY SHOWS

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

This indicator measures attendance at touring productions of Broadway shows, rounded to the nearest 100,000 (provided by the Broadway League). Through most recent years, more people saw Broadway shows on tour than did in New York. While attendance at Broadway shows in New York has remained steady, touring shows attracted progressively smaller audiences from 2005 through 2012, with 2010 as an exception. Touring shows attract only slightly more attendance across the country than New York shows (see indicator #46).

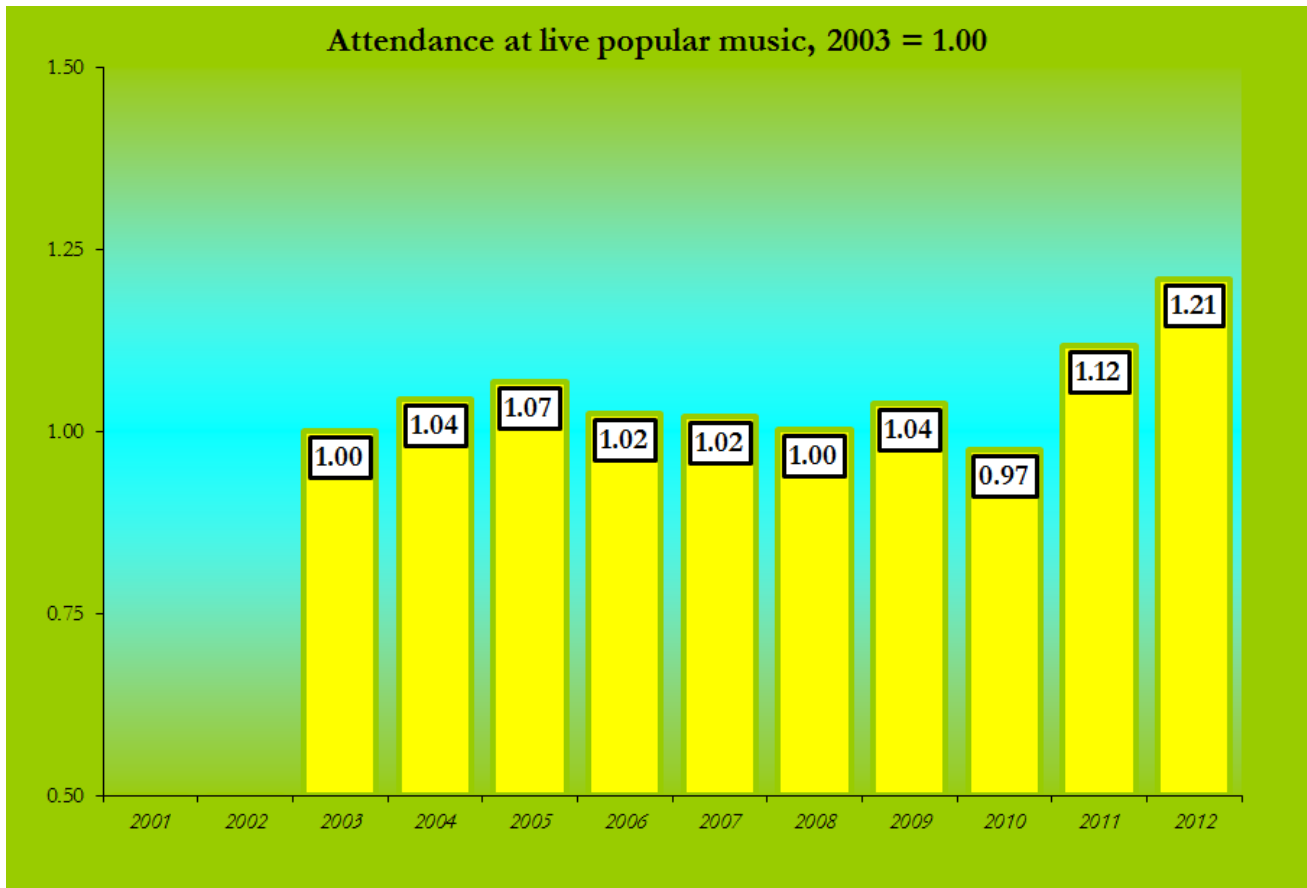


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Tickets sold (millions)	11.0	11.7	12.4	12.9	18.2	17.1	16.7	15.3	14.3	15.9	13.1	12.7
Indexed to 2003 = 1.00	0.89	0.94	1.00	1.04	1.47	1.38	1.35	1.23	1.15	1.28	1.06	1.02

48. ATTENDANCE AT LIVE POPULAR MUSIC

Attending the many varieties of popular music in concert is one of the main ways that new songs, styles, and sounds are communicated to the public. While the natural domicile of symphonic or operatic music may be the concert hall, pop styles like rock, hip-hop, or country are more likely to be heard in clubs, arenas, outdoor amphitheatres, 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 was about 237 million in 2011, or about 75 percent of total U.S. population. Attendance at these events jumped in the Scarborough report to 58.7 million people, with increases in all three of the pop music genres suggested. This is consistent with concert revenue indicator #9) based on Pollstar data that also shows a new multi-year high.

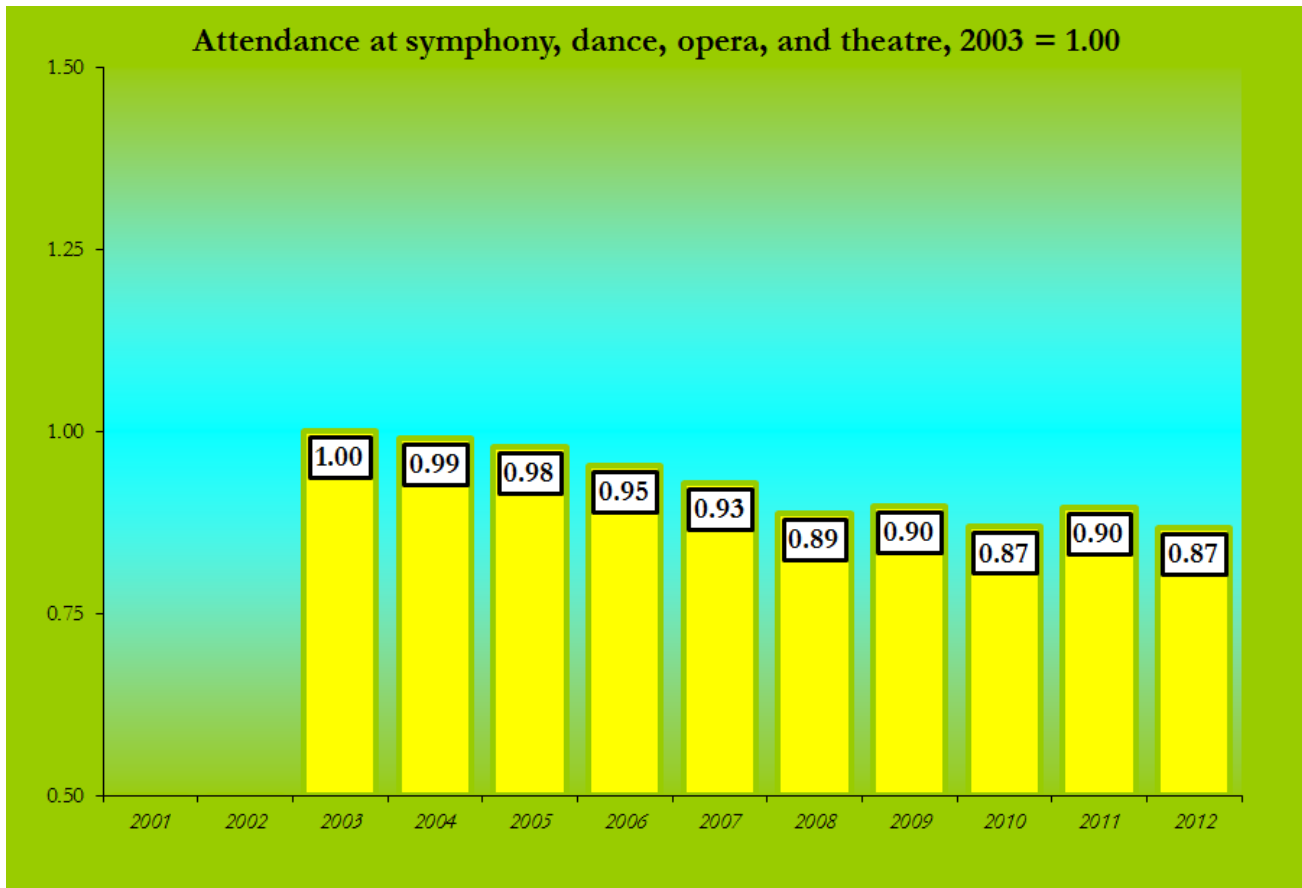


(All figures in 000)	2001-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Country music concert		15,835	16,976	17,424	16,906	17,544	16,658	16,739	14,766	17,339	18,688
R&B/rap/hip-hop concert		7,508	7,659	8,122	7,625	7,039	6,938	7,183	6,971	8,363	9,963
Rock concert		25,236	26,108	26,271	25,227	24,931	25,062	26,497	25,621	28,598	30,026
Surveyed population in 77 metropolitan markets attending country, rock, rap, R&B, hip-hop music		48,579	50,742	51,818	49,758	49,513	48,657	50,419	47,358	54,300	58,677
Indexed to 2003 = 1.00	N/D	1.00	1.04	1.07	1.02	1.02	1.00	1.04	0.97	1.12	1.21

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

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

This indicator is Scarborough’s estimate of attendance at these performing arts events. This wide diversity of artistic genres contributes to a large audience base of some 86.4 million in 2003, declining to 74.9 million in 2012. Certainly, there is some double counting among all of these measures, as audiences for one genre are often 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 and 2012.

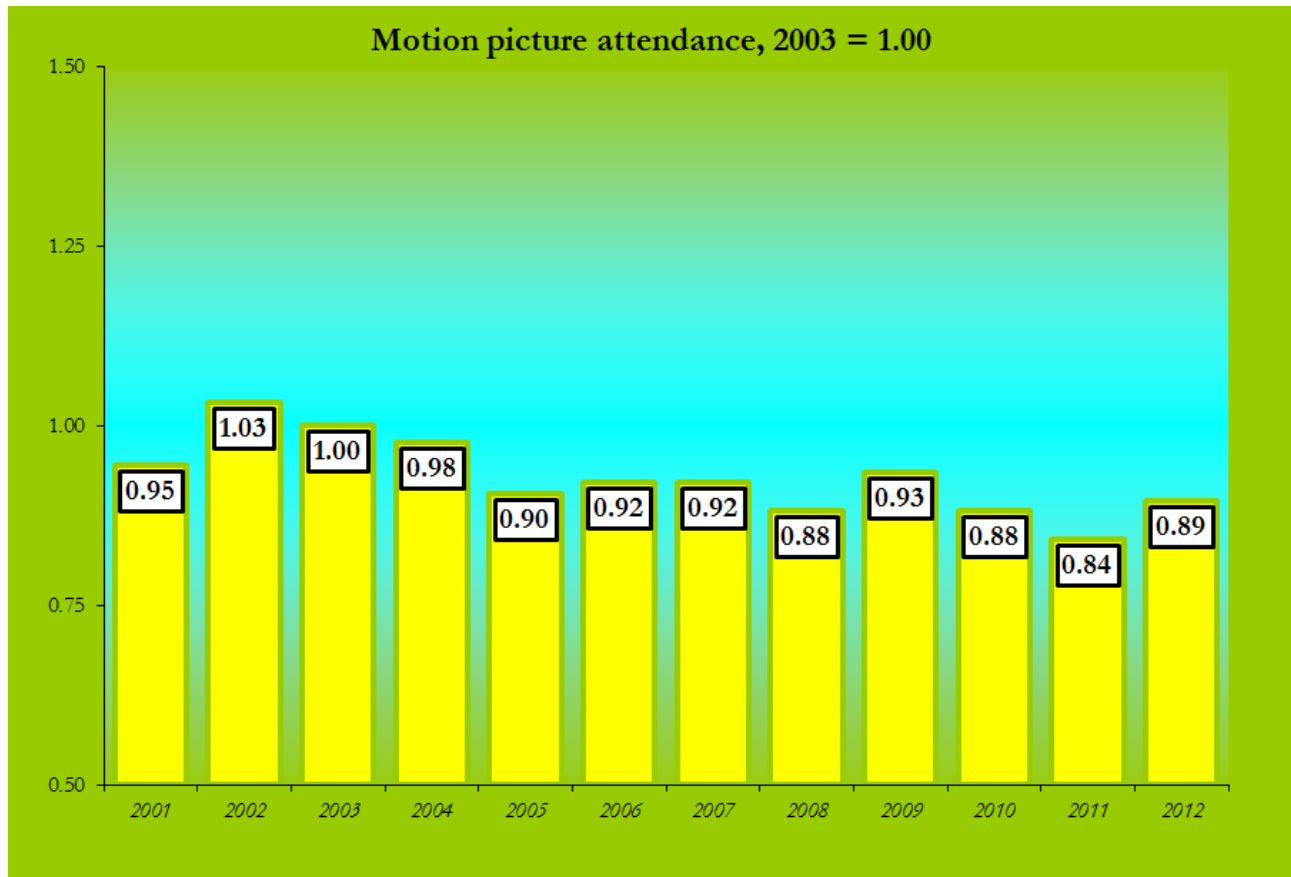


(All figures in 000)	2001-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Dance or ballet performance		15,797	15,153	15,258	14,803	15,114	14,880	15,233	15,000	14,336	13,779
Live theater		50,059	50,292	49,154	48,337	48,099	47,307	46,743	45,569	45,278	44,062
Symphony concert, opera, etc.		20,521	20,151	20,063	19,140	16,920	14,492	15,510	14,811	17,719	17,098
Surveyed population in 77 metropolitan markets attending dance, symphony, opera, and theatre		86,376	85,596	84,475	82,280	80,134	76,678	77,486	74,980	77,333	74,940
Indexed to 2003 = 1.00	N/D	1.00	0.99	0.98	0.95	0.93	0.89	0.90	0.87	0.90	0.87

50. MOTION PICTURE ATTENDANCE

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

This indicator measures total attendance at movies according to National Association of Theater Owners (NATO) data for the U.S. and Canada. NATO, like some other trade associations, combines Canadian and U.S. data in its annual tallies. This is problematic in some ways, because the data include some foreign activities. However, it is plausible to say that Canadian movie-going is close enough to American movie-going in that rates of change are very close in both countries. Total attendance is erratic; it peaked in 2002, declined until 2005, reached another “peak” in 2009, and then dropped again in 2010 and 2011 before rebounding in 2012 to 1.36 billion. Like music purchases, movie attendance is affected by alternatives that consumers can use to access movies.

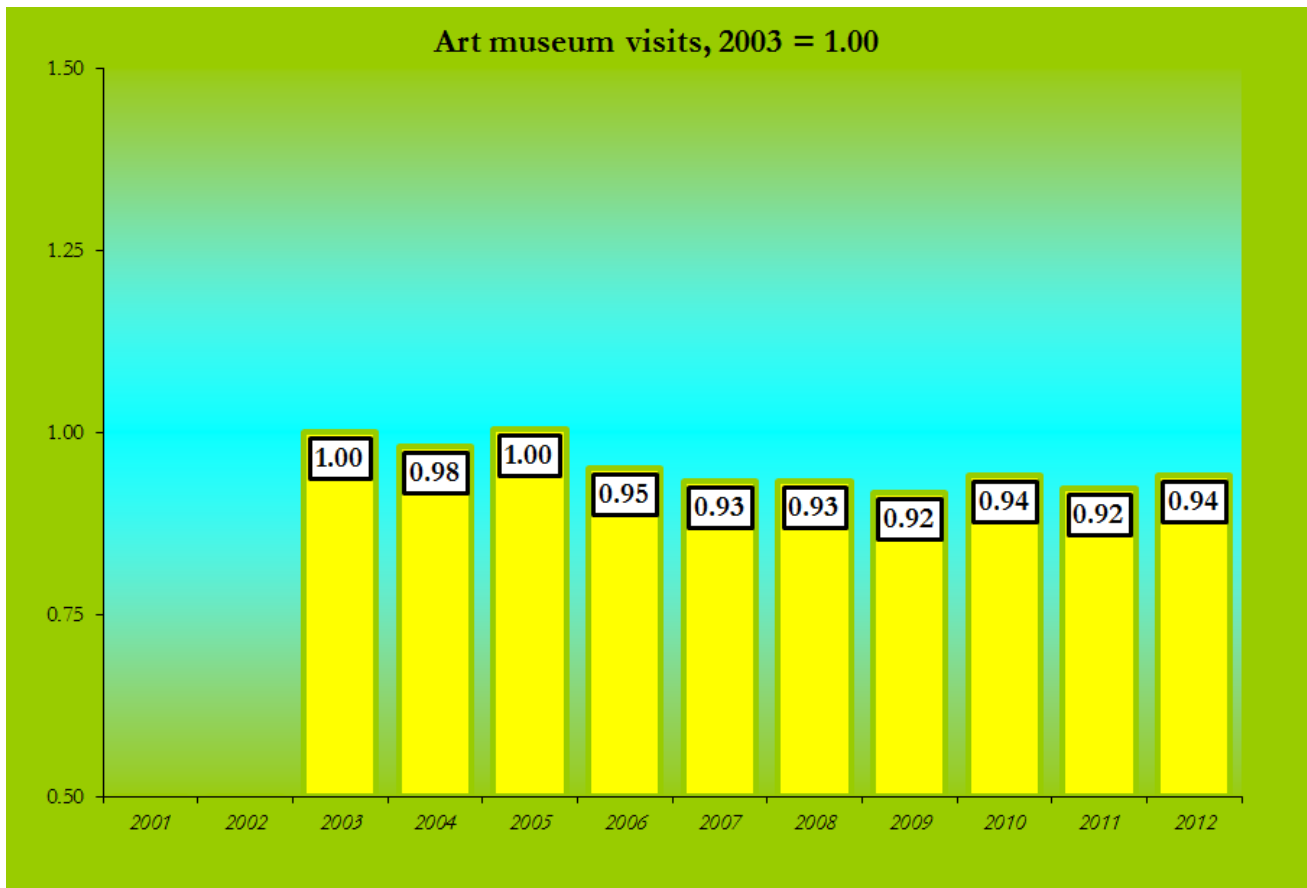


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Motion picture Attendance (billions)	1.438	1.570	1.521	1.484	1.376	1.401	1.400	1.341	1.42	1.339	1.280	1.36
Indexed to 2003 = 1.00	0.95	1.03	1.00	0.98	0.90	0.92	0.92	0.88	0.93	0.88	0.84	0.89

51. ART MUSEUM VISITS

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

This indicator, provided by Scarborough, is an estimate of the number of people in its survey base (of 210,000 individuals) in 81 metropolitan regions who visited an art museum one or more times in the prior year. The estimate of art museum attendance in metropolitan areas declined from about 33.0 million visitors to 31.1 million between 2003 and 2012. It was relatively stable in a range of around 31 million visitors from 2006 through 2012.

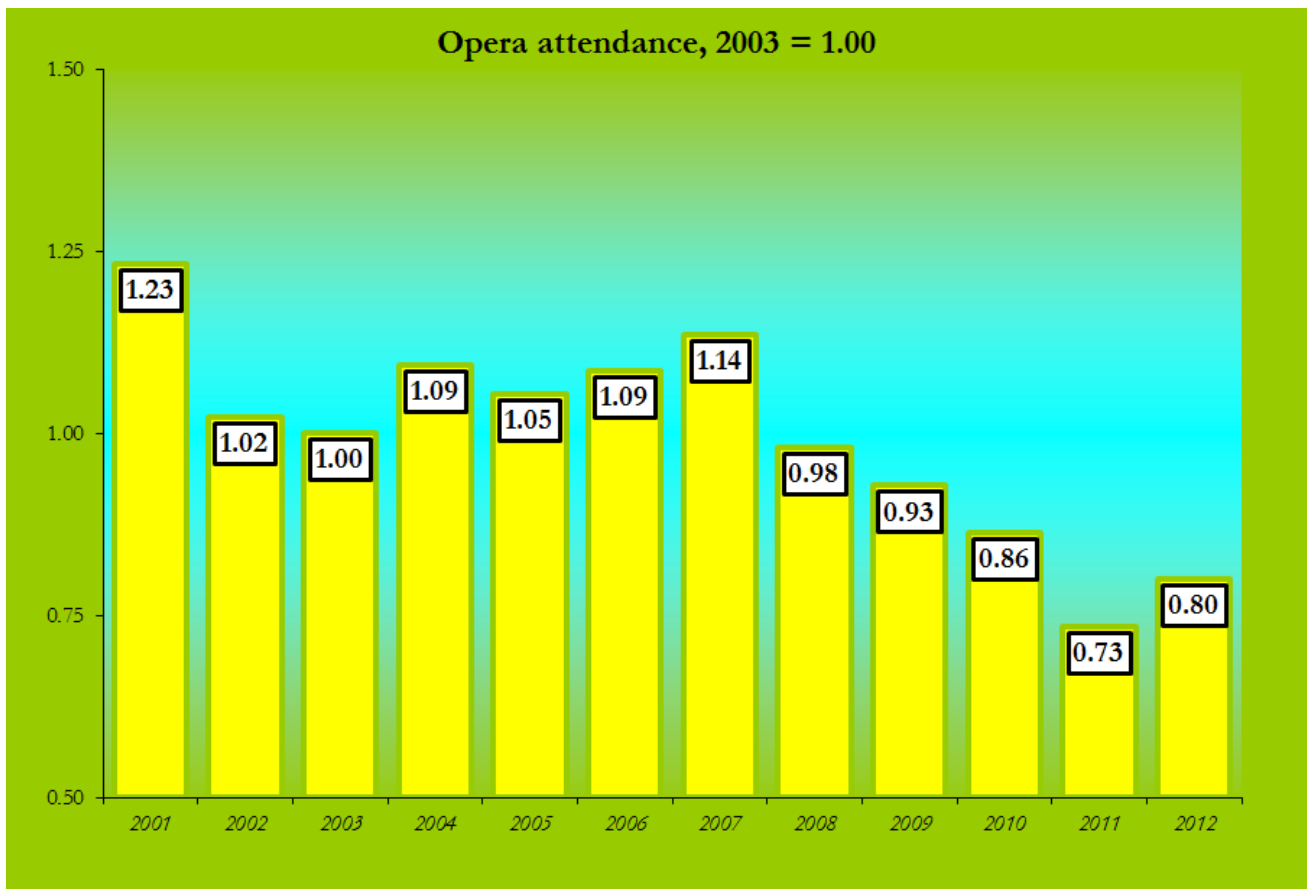


	2001-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Art museum attendance in 77 metropolitan markets		33,070.2	32,412.8	33,190.5	31,449.0	30,828.7	30,862.7	30,333.3	31,090.5	30,505.9	31,084.9
Indexed to 2003 = 1.00	N/D	1.00	0.98	1.00	0.95	0.93	0.93	0.92	0.94	0.92	0.94

52. OPERA ATTENDANCE

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

This indicator measures total attendance at main stage season performances by reporting opera companies. From 2000 through 2010, this number dropped to 2.3 million 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 of more viewers to the opera experience.

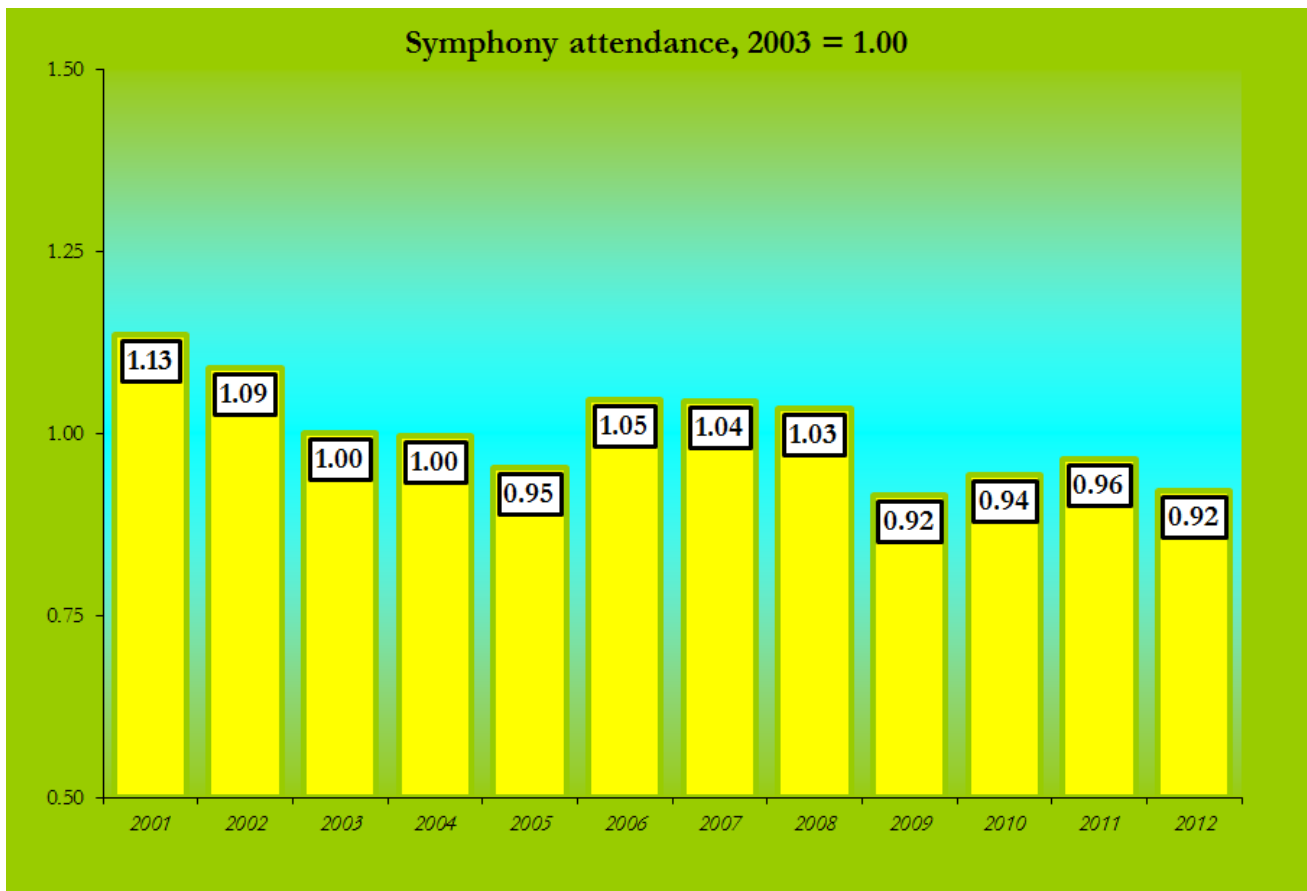


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Professional opera mainstage attendance (000)	3,872	3,211	3,142	3,436	3,309	3,411	3,568	3,078	2,914	2,710	2,304	2,514
Indexed to 2003 = 1.00	1.23	1.02	1.00	1.09	1.05	1.09	1.14	0.98	0.93	0.86	0.73	0.80

53. SYMPHONY ATTENDANCE

Symphony as both an art form in the concert hall and an institutional presence in American communities is one of the mainstays of the lively arts in the American cultural experience—a role it shares with opera, theatre, and dance. With hundreds of symphony orchestras 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 125 responding orchestras, the League estimates attendance at all orchestra concerts by extrapolating to the population of symphony orchestras. This indicator reports those extrapolated estimates. Orchestra attendance has dropped from earlier decades, but was relatively stable in a range of around 26 million from 2009 through 2012.

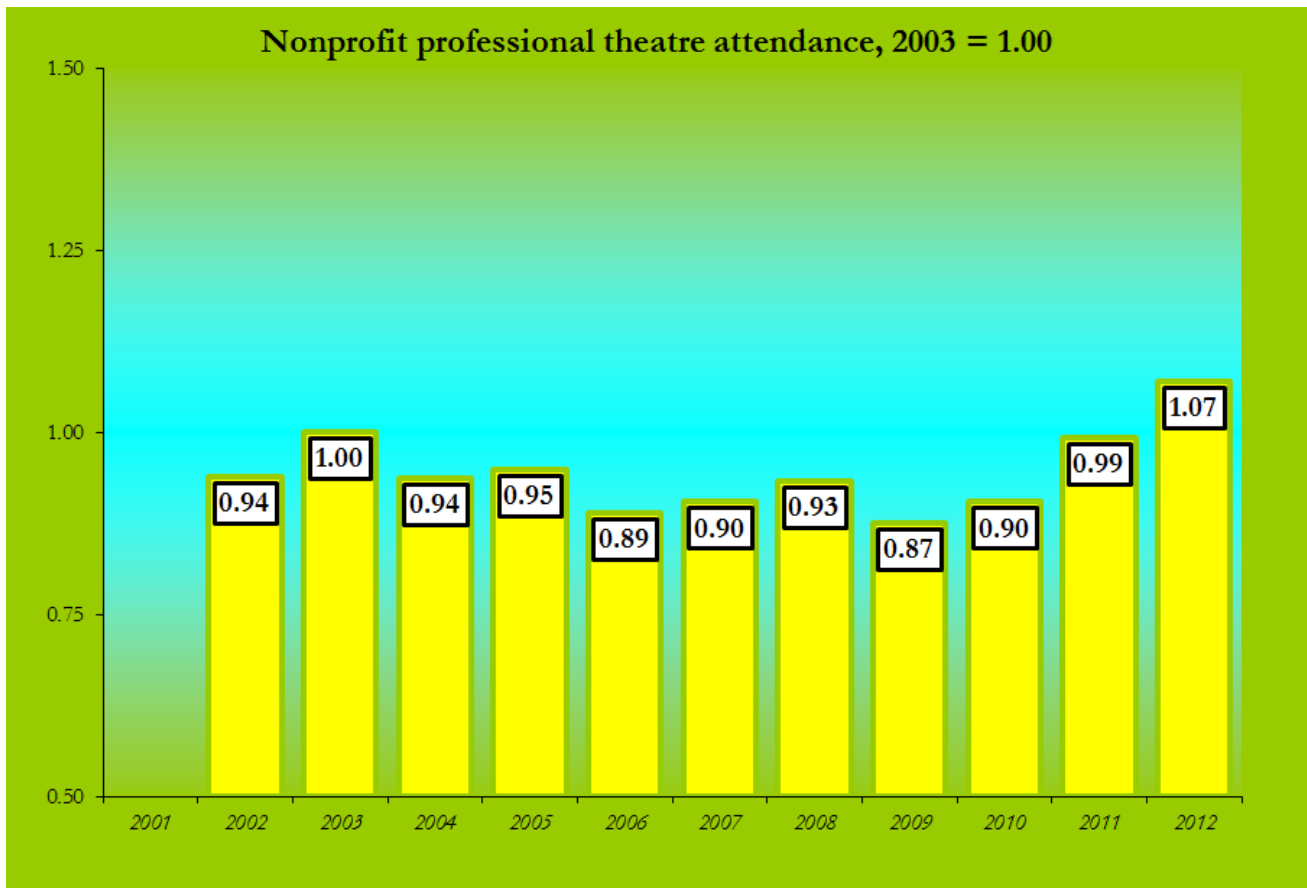


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total symphony performance attendance (000)	31,533	30,305	27,802	27,683	26,471	29,070	29,016	28,718	25,443	26,183	26,812	25,603
Indexed to 2003 = 1.00	1.13	1.09	1.00	1.00	0.95	1.05	1.04	1.03	0.92	0.94	0.96	0.92

54. NONPROFIT PROFESSIONAL THEATRE ATTENDANCE

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

This indicator measures total annual attendance at nonprofit professional theatres using data published annually by Theatre Communications Group (TCG) in the annual Theatre Facts report. TCG makes an annual estimate of attendance, based on responses to its annual survey. Those are then extrapolated by TCG to the larger population of all nonprofit professional theatres. In an encouraging sign, estimated theatre attendance grew for the fourth consecutive year, and reached 36.7 million, its highest level ever in the National Arts Index.



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total attendance at nonprofit professional theatre (000)		32,200	34,300	32,100	32,500	30,500	31,000	32,000	30,000	31,000	34,000	36,700
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	1.07

CHAPTER 6. COMPETITIVENESS INDICATORS

There are 27 *Competitiveness* indicators for 2012 illustrating how arts and culture co-exist with other forces in society. Of course, many of the other indicators show the role of the arts in a specific context. 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 utilized to make up the overall Competitiveness score in each year. Those scores are shown in Figure G below.

TABLE 8. COMPETITIVENESS INDICATORS

55.	Arts and culture share of private giving
56.	Share of metropolitan households contributing to arts and culture
57.	Arts and culture share of personal expenditures
58.	Arts share of Gross Domestic Product (new indicator in 2014)
59.	Visual and performing arts share of all degrees
60.	Share of employees in arts and culture industries
61.	Share of workers in arts and culture occupations
62.	Share of payroll in arts and culture industries
63.	Share of SAT I test takers with four years of art or music
64.	Share of establishments in arts and culture industries
65.	Arts and culture share of foundation funding
66.	Arts and culture share of corporate funding
67.	Federal government arts and culture funding per capita
68.	Arts and culture share of federal domestic discretionary spending
69.	State arts agency funding per capita
70.	State arts agency share of state general fund expenditures
71.	Population share attending Broadway shows in New York City or on tour
72.	Population share attending live popular music
73.	Population share attending symphony, dance, opera, and theatre
74.	Population share visiting art museums
75.	Population share attending opera
76.	Population share attending symphony
77.	Population share attending nonprofit professional theatre
78.	Year-end value of the Mei Moses® All Art index
79.	U.S. share of world creative goods trade
80.	Return on assets of arts businesses
81.	Share of nonprofit arts organizations with end-of-year surplus

TABLE 9. COMPETITIVENESS INDICATORS PER YEAR

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

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

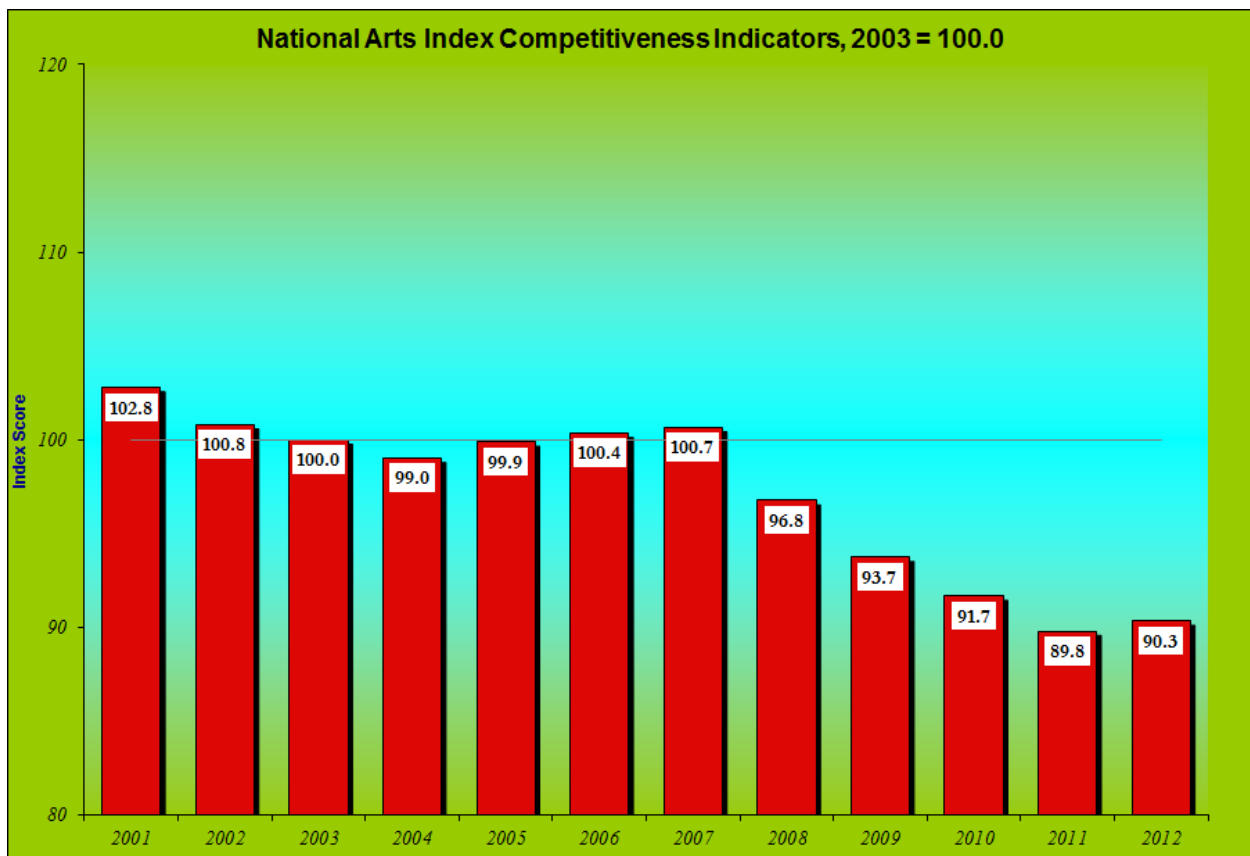


FIGURE G. NATIONAL ARTS INDEX COMPETITIVENESS INDICATORS (2003 = 100.0)

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

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

evaluate the share of total corporate and foundation dollars, or on a *per capita* basis to approximate the impact on each citizen. A new indicator for 2014 is the arts and culture share of Gross Domestic Product.

Compared to the recent National Arts Index reports, this year's tally shows a somewhat more positive view of arts competitiveness compared to the last years of the 2000s. The overall trend in these Competitiveness indicators lags behind 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 sector.

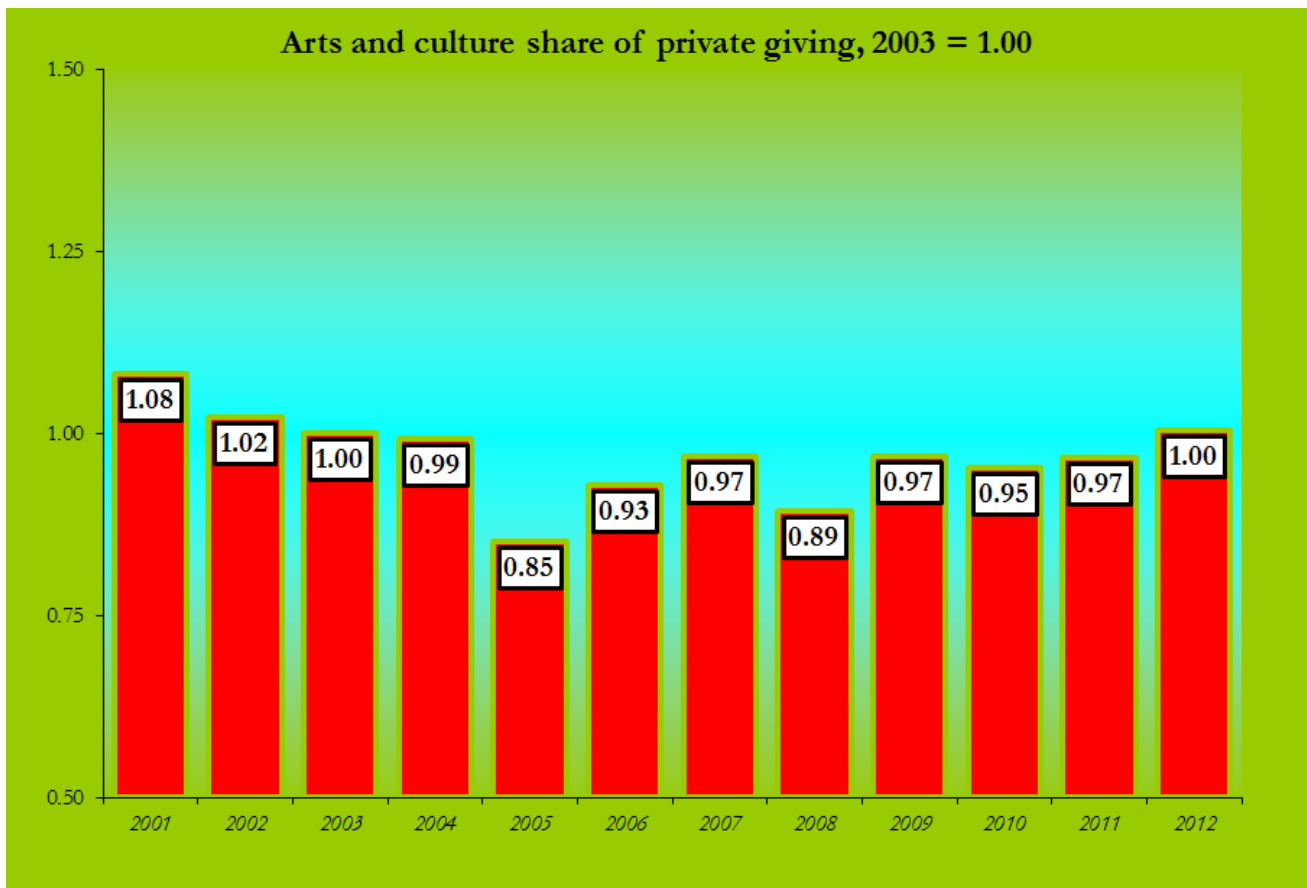
In past years, we saw the cumulative evidence of indicators in this dimension showing the arts becoming less competitive. We were concerned that this decline would threaten the vitality of the arts, just as increased participation fuels its future. We take cheerful note, then, that these competitiveness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

The individual indicators described in the following 27 pages provide additional detail on the competitiveness of arts and culture from 2001 to 2012. One third (i.e., nine indicators) grew, another third had lower indicator readings, and one third stayed the same. Cumulatively, they result in a Competitiveness score of 90.3 for 2012.

55. 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*. In the late 1990s, this was a notably high indicator in the Index. This share averaged 4.4 percent over the whole eleven-year span. Declines in private sector from the mid-2000s were reversed, and there were increases in most years, 2009 through 2012. The “market share” of arts and culture in the overall philanthropy market in the 2000s progressively declined, especially compared to the late 1990s. 2012 saw the fortunate coincidence of rising overall private philanthropy and a relatively high allocation to the arts.

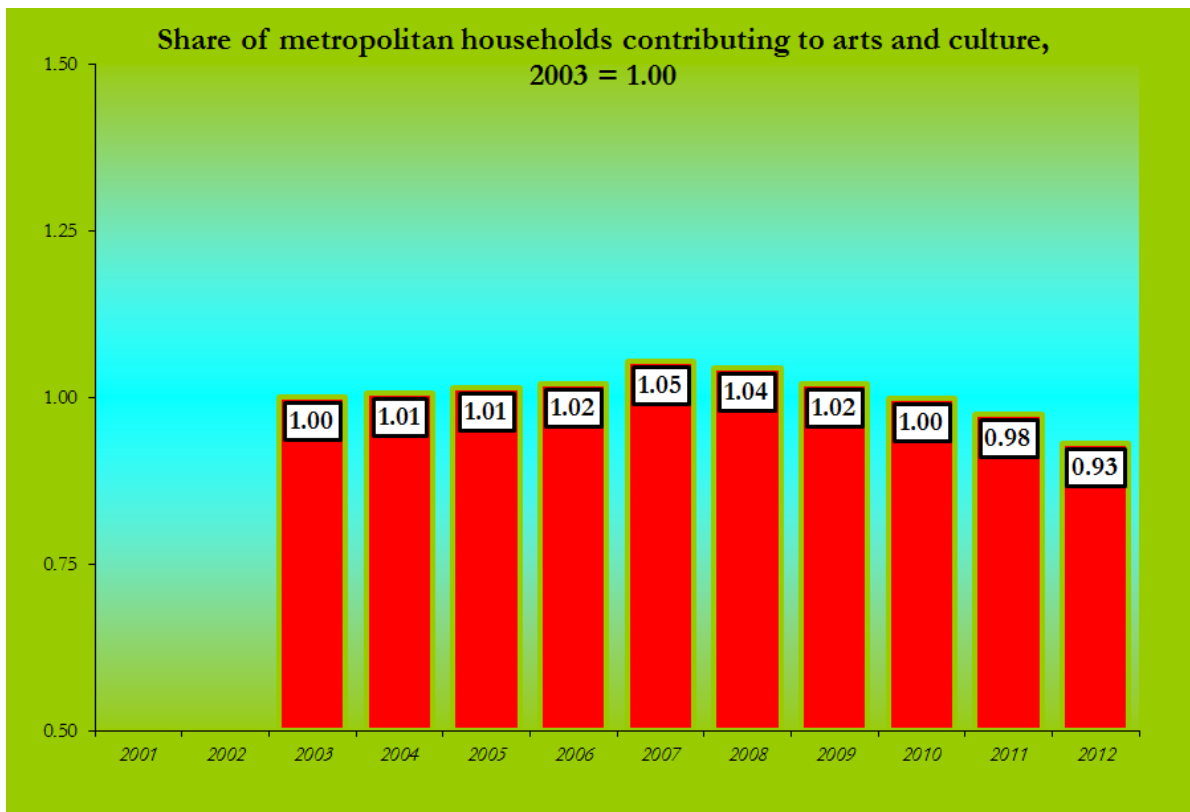


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total private philanthropy (\$B)	232.04	233.11	238.06	261.2	294.05	296.21	310.57	315.08	280.3	290.89	298.42	316.23
Private arts philanthropy (\$B)	11.41	10.83	10.83	11.78	11.38	12.51	13.67	12.79	12.34	12.6	13.12	14.44
Arts philanthropy as a share of total philanthropy	4.92%	4.65%	4.55%	4.51%	3.87%	4.22%	4.40%	4.06%	4.40%	4.33%	4.40%	4.57%
Indexed to 2003 = 1.00	1.08	1.02	1.00	0.99	0.85	0.93	0.97	0.89	0.97	0.95	0.97	1.00

56. SHARE OF METROPOLITAN HOUSEHOLDS CONTRIBUTING TO ARTS AND CULTURE

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

This indicator, using data obtained by Scarborough, estimates the percentage of households that made a donation to an arts and culture organization in the prior 12 months. Scarborough estimates that the population in the markets it studies is about 237 million in 2012, or about 75 percent of total U.S. population. Data for this indicator are only available from 2006 onwards. The indicator uses values for 2003-05 estimated by assuming that this measure would have changed at the average rate of the 77 other National Arts Index indicators available for those years, or about 0.67 percent increase per year. From 2007 to 2012, years where Scarborough has made its measures of household giving, the share declined from 9.3 percent to 8.2 percent. This has a less sunny result for the arts than does the measure of total private philanthropy in indicator #55, which saw a new high in 2012. A possible explanation is that foundation and corporate givers, who are also counted in the private giving estimate, give more than households.



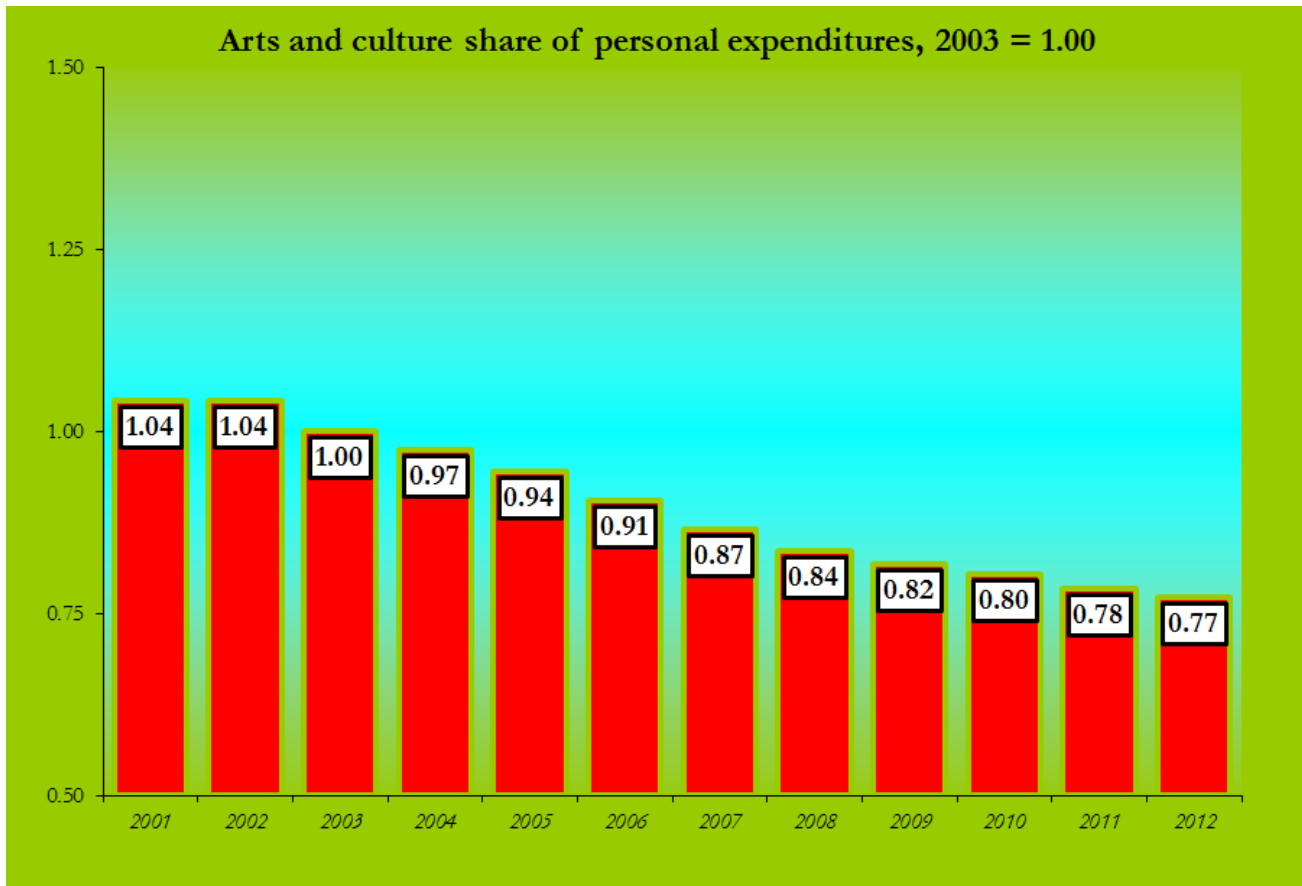
	2001-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Share of metropolitan households contributing to arts and culture		8.8%*	8.9%*	8.9%*	9.0%	9.3%	9.2%	9.0%	8.8%	8.6%	8.2%
Indexed to 2003 = 1.00	N/D	1.00	1.01	1.01	1.02	1.05	1.04	1.02	1.00	0.98	0.93

* Estimated

57. ARTS AND CULTURE SHARE OF PERSONAL EXPENDITURES

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

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

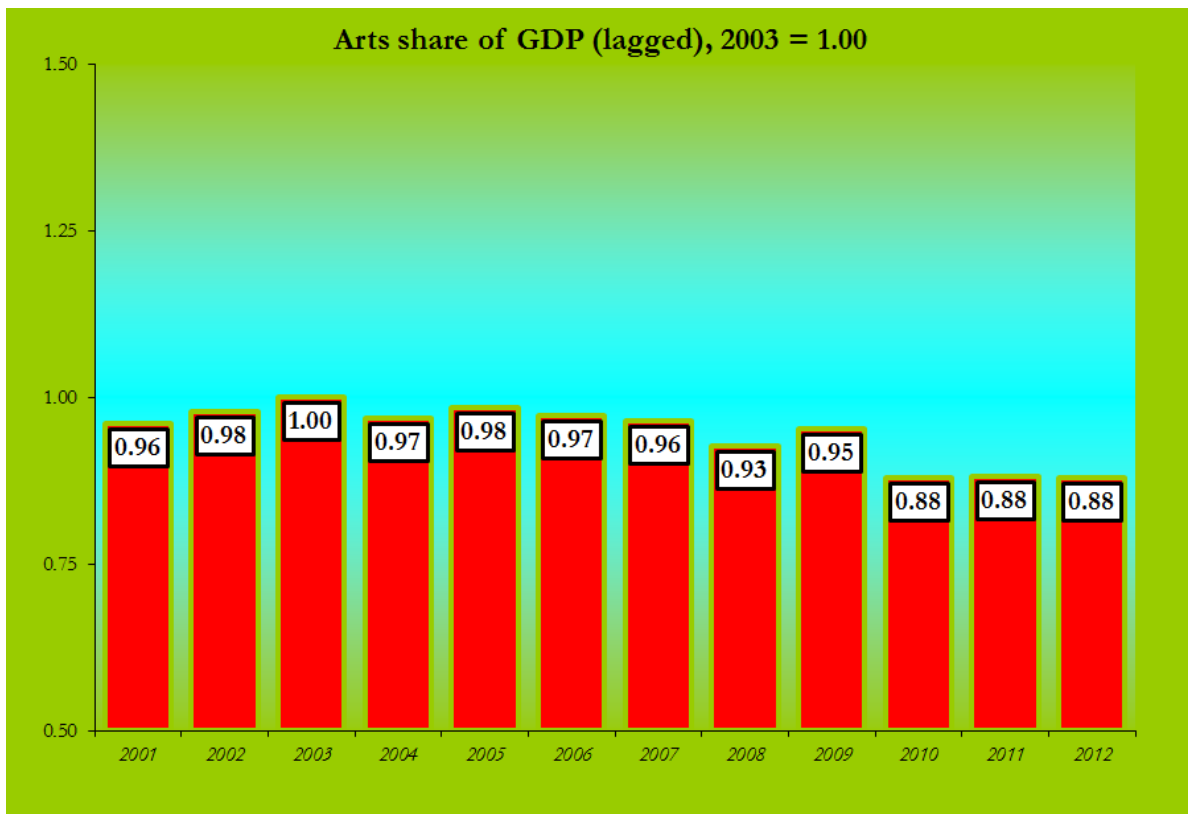


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
All personal consumption expenditures (\$B)	7,107	7,385	7,764	8,258	8,790	9,297	9,744	10,006	9,843	10,202	10,712	11,150
Total selected arts and culture expenditures (\$B)	130.12	135.2	136.4	141.3	145.8	147.9	148.1	147.0	141.3	144.1	147.6	151.0
Arts and culture expenditures as percentage of total	1.83%	1.83%	1.76%	1.71%	1.66%	1.59%	1.52%	1.47%	1.44%	1.41%	1.38%	1.35%
Indexed to 2003 = 1.00	1.03	1.04	1.00	0.98	0.95	0.92	0.88	0.85	0.81	0.80	0.79	0.77

58. ARTS SHARE OF GDP (NEW INDICATOR IN 2014)

In 2014, the National Endowment and the Arts and the Bureau of Economic Analysis collaborated to produce a new set of reports that BEA expects to produce annually focusing on the arts in the economy, the “Arts and Culture Production Satellite Accounts.” These accounts include a range of measures of how the arts and culture sectors affect economic output. Among them is a tally of total arts and culture output, specifically including the creative content of advertising, fine arts schools and academic performing and fine arts, cable TV production and distribution, movies, independent artists, publishing of books, newspapers, and periodicals, radio and TV broadcasting, and selected architectural services. For 2011, the last year for which the data was tallied, these output measures came to more than \$500 billion.

This indicator measures arts and culture as a share of overall Gross Domestic Product, or GDP. All other indicators in this report are nominally dated 2012, we are shifting this one year, and assigning each year’s value to the following year to continue the Index pattern. Thus the 2012 figure here represents the arts and culture share of 2011 degrees. We had previously calculated that this indicator correlated particularly strongly with the following year’s overall National Arts Index score, so this is not especially problematic. Over the years 1998 through 2011, BEA data shows that this share has been between 3.2 percent and 3.7 percent.

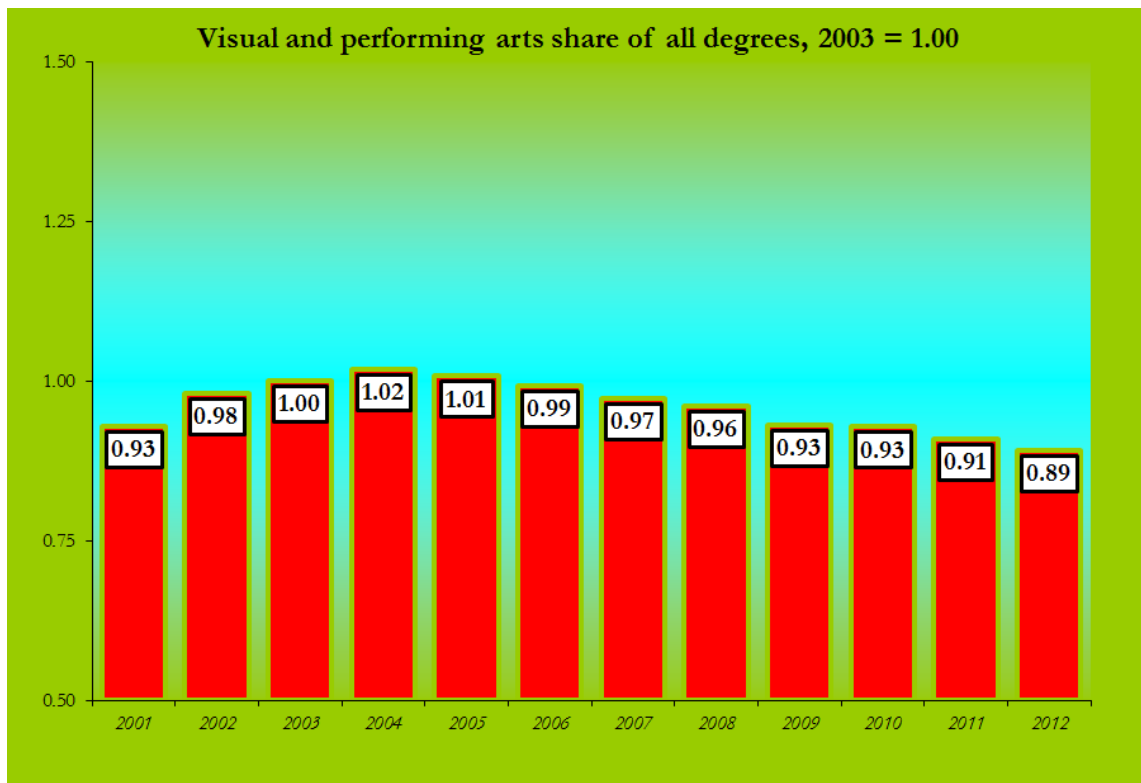


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Prior year arts and culture production value added (\$M)	360,965	379,519	407,022	420,554	455,281	476,528	493,939	482,512	485,557	464,619	483,449	504,390
Prior year GDP (\$B)	10,625.30	10,980.20	11,512.20	12,277	13,095.40	13,857.90	14,480.30	14,720.30	14,417.90	14,958.30	15,533.80	16,244.60
Lagged arts and culture share of GDP	3.40%	3.46%	3.54%	3.43%	3.48%	3.44%	3.41%	3.28%	3.37%	3.11%	3.11%	3.10%
Indexed to 2003 = 1.00	0.96	0.98	1.00	0.97	0.98	0.97	0.96	0.93	0.95	0.88	0.88	0.88

59. VISUAL AND PERFORMING ARTS SHARE OF ALL DEGREES

In total, almost 40 million degrees from associates to doctoral level were conferred between 1999 and 2012. 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 the visual and performing arts realm. This indicator along with Indicator #41 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 2012, visual and performing arts degrees numbered over 137,000 (the most ever), but comprised only 3.8 percent of all degrees.

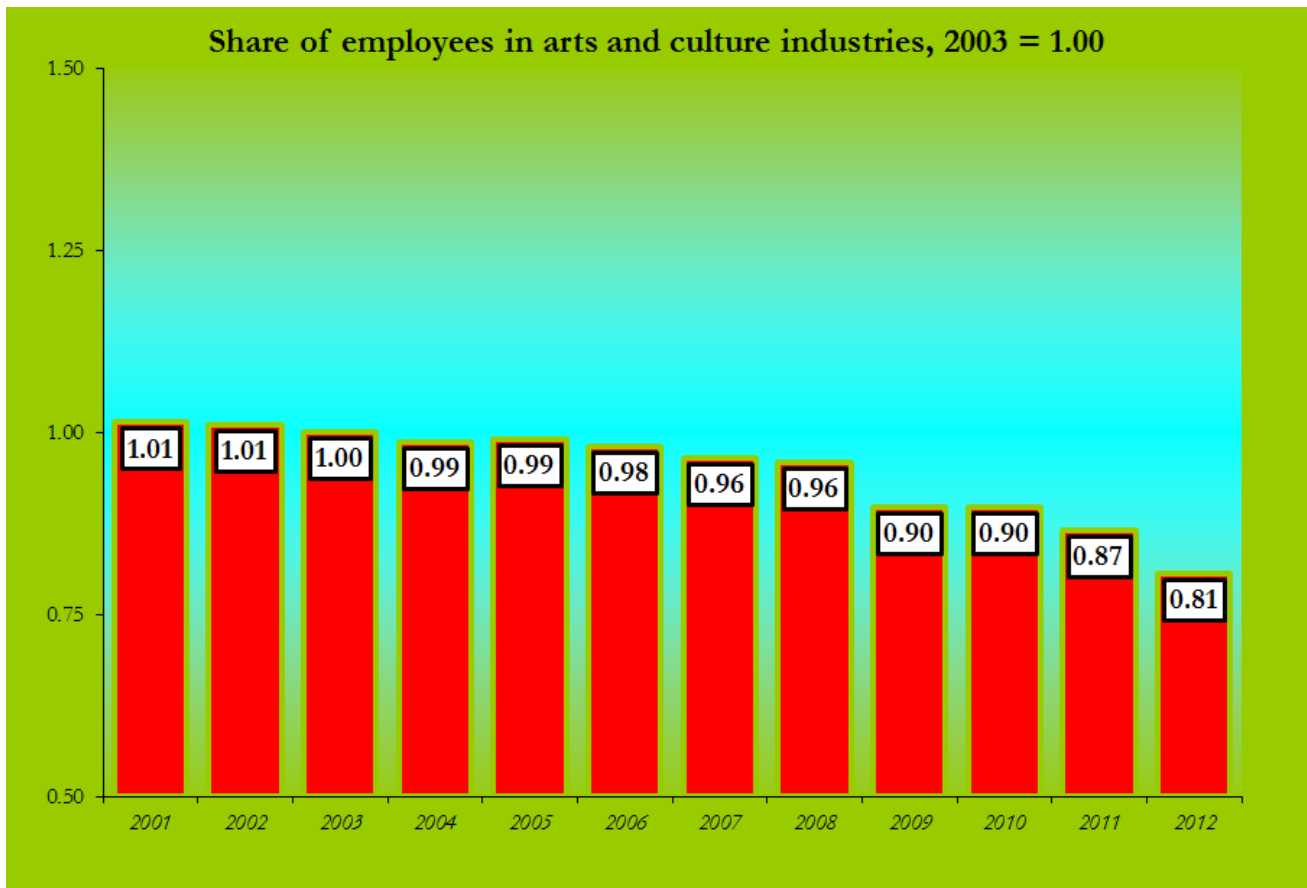


("VPA" = Visual & performing arts)	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
VPA associates degree	18,435	20,911	23,120	23,949	22,650	21,754	20,244	18,890	18,643	19,703	21,379	22,431
All associate degrees (000)	578.9	595.1	634.0	665.3	696.7	713.1	728.1	750.2	794.5	857.6	942.3	1017.5
VPA bachelors degree	61,148	66,773	71,474	77,181	80,955	83,297	85,186	87,703	93,009	91,802	93,956	95,797
All bachelor's degrees (000)	1,244	1,292	1,349	1,400	1,439	1,485	1,524	1,563	1,698	1,650	1,716	1,791
VPA masters degree	11,404	11,595	11,986	12,906	13,183	13,530	13,676	14,164	14,986	15,552	16,277	17,331
All masters degrees (000)	468.5	482.1	513.3	558.9	574.6	594.1	604.6	625.0	669.5	693.0	730.6	754.2
VPA doctoral degree	1,167	1,114	1,293	1,282	1,278	1,383	1,364	1,453	1,569	1,599	1,646	1,728
All doctoral degrees (000)	44.9	44.2	46.0	48.4	52.6	56.1	60.6	63.7	37.3	57.4	57.4	71.4
All VPA degrees	92,154	100,393	107,873	115,318	118,066	119,964	120,470	122,210	127,557	128,656	133,258	137,287
All degrees (000)	2,336	2,413	2,542	2,672	2,763	2,848	2,917	3,002	3,230	3,199	3,446	3,634
Associate VPA share	3.2%	3.5%	3.6%	3.6%	3.3%	3.1%	2.8%	2.5%	2.3%	2.3%	2.3%	2.2%
Bachelors VPA share	4.9%	5.2%	5.3%	5.5%	5.6%	5.6%	5.6%	5.6%	5.5%	5.6%	5.4%	5.3%
Masters VPA share	2.4%	2.4%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.2%	2.2%	2.2%	2.3%
Doctoral VPA share	2.6%	2.5%	2.8%	2.6%	2.4%	2.5%	2.3%	2.3%	2.5%	2.8%	2.9%	2.4%
Total VPA share of degrees	3.9%	4.2%	4.2%	4.3%	4.3%	4.2%	4.1%	4.1%	4.0%	4.0%	3.9%	3.8%
Indexed to 2003 = 1.00	0.93	0.98	1.00	1.02	1.01	0.99	0.97	0.96	0.93	0.95	0.91	0.89

60. SHARE OF EMPLOYEES IN ARTS AND CULTURE INDUSTRIES

In a dynamic economy, the total number of workers changes as people enter and exit the labor force. As the labor force grows and contracts, 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 growth rate is inconsistent and even becomes negative in times of poor economic performance. The overall economy in 2007-10 was particularly tumultuous for labor markets.

This indicator measures the employees in arts and culture industries as a share of total employees in all industries using the 43 NAICS code industries listed in Appendix A. This indicator has generally stayed between 1.5 percent and 1.8 percent of total employees, though it has been in a gradual downward trajectory since 2000. From 2009 through 2011, 1.6 percent of employees worked in arts and culture industries.

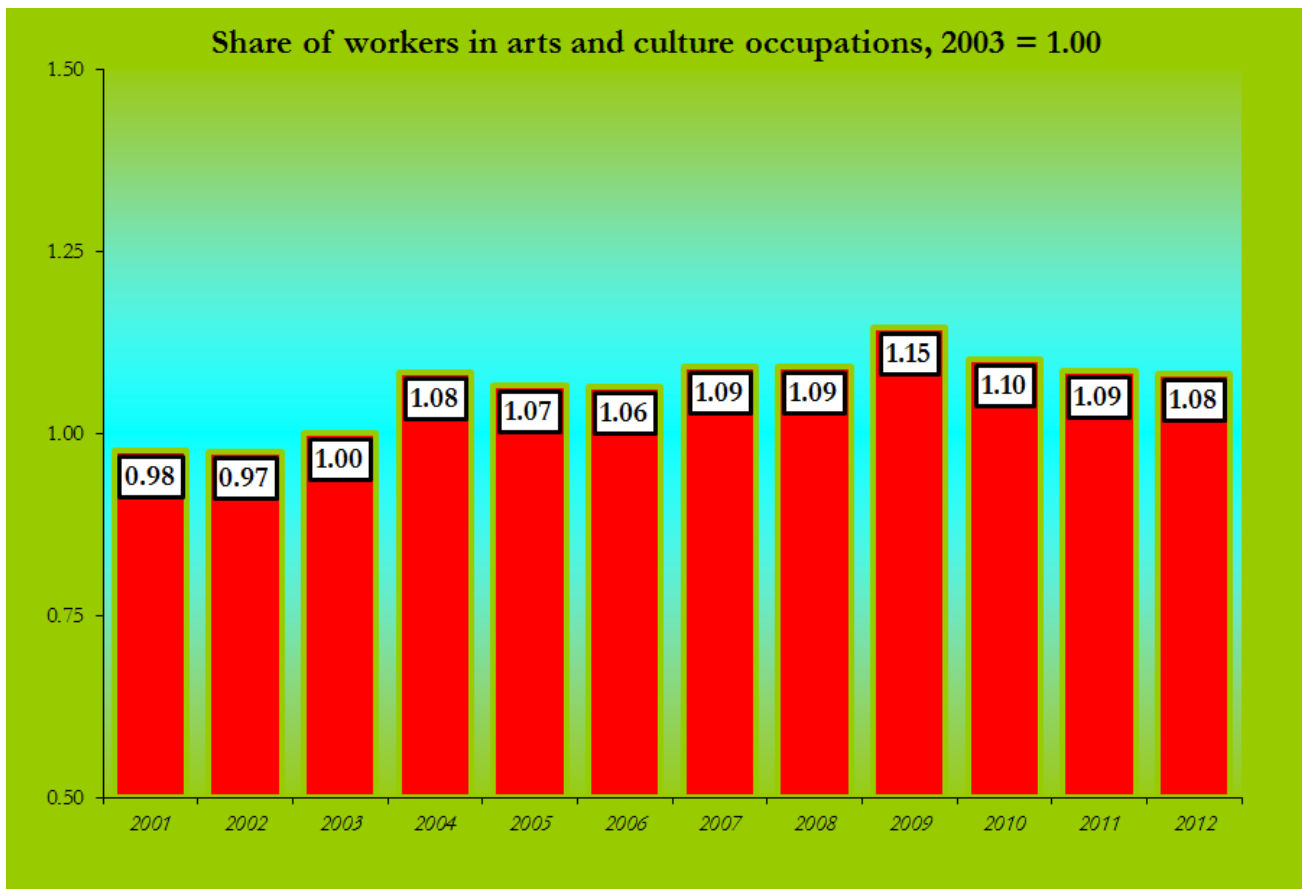


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Employees in all industries (000)	115,061	112,400	113,398	115,075	116,317	119,917	120,604	120,904	120,604	111,970	113,426	115,938
Employees in arts-related industries (000)	2,109	2,055	2,052	2,053	2,084	2,126	2,103	2,095	1,956	1,815	1,776	1,689
Arts share of employees	1.83%	1.83%	1.81%	1.78%	1.79%	1.77%	1.47%	1.73%	1.62%	1.62%	1.57%	1.46%
Indexed to 2003 = 1.00	1.01	1.01	1.00	0.99	0.99	0.98	0.96	0.96	0.90	0.90	0.87	0.81

61. 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. “Occupation” refers to the nature of the work, not to whether the work is self-employed or is an employee of an organization.

This indicator measures the share of workers in all 45 occupations classified in the Standard Occupational Code system who have arts and culture occupations. See Appendix B for a list of SOC codes used in this indicator. While the share is small (just over one percent of all workers), the long term trend seems to be that these workers have an increasing share of total work, growing 13 percent between 2001 and 2012. By contrast, the total number of workers grew by only two percent. 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.

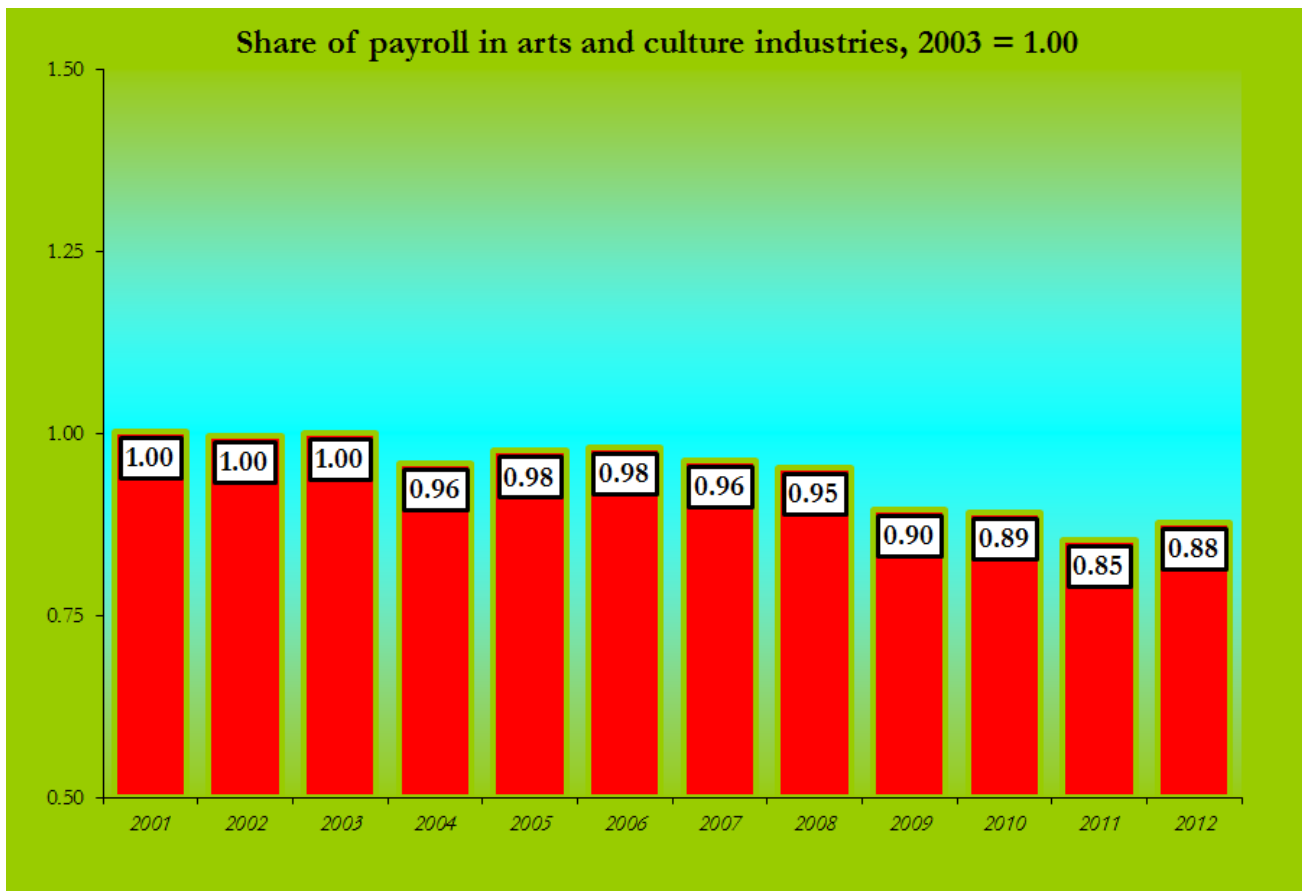


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Workers in all occupations (000)	127,980	127,524	127,568	128,127	130,308	132,605	134,354	135,185	130,648	127,097	128,279	130,288
Workers in 45 arts occupations (000)	1,407	1,401	1,438	1,564	1,566	1,591	1,652	1,661	1,686	1,576	1,569	1,587
Arts share of workers	1.10%	1.10%	1.13%	1.22%	1.20%	1.20%	1.23%	1.23%	1.29%	1.24%	1.22%	1.22%
Indexed to 2003 = 1.00	0.98	0.97	1.00	1.08	1.07	1.06	1.09	1.09	1.15	1.10	1.09	1.08

62. SHARE OF PAYROLL IN ARTS AND CULTURE INDUSTRIES

Payroll expenditure by employers in arts and culture industries as shown in Indicator #3 gives a sense of scale - \$93 billion in 2012 – but more information is needed to evaluate the impact of those dollars on the overall economy, including their weight in all employers’ payroll. To put them into a relative scale, they can be compared to total payrolls for all industries.

This indicator measures the arts and culture industries’ share of all industries’ payroll, defining arts and culture industries by the same set of 43 NAICS codes used to estimate numbers of employees and establishments (shown in Appendix A). This represented 1.95 percent of payroll in all industries in 2003, but trended down after that to 1.66 percent in 2011, followed by a rebound in 2012 to 1.71 percent. The arts share of payroll in all industries is consistently larger than the arts share of employees in all industries. This shows that while competition for arts employment is fierce, employees in arts industries earn a premium over those in other industries.

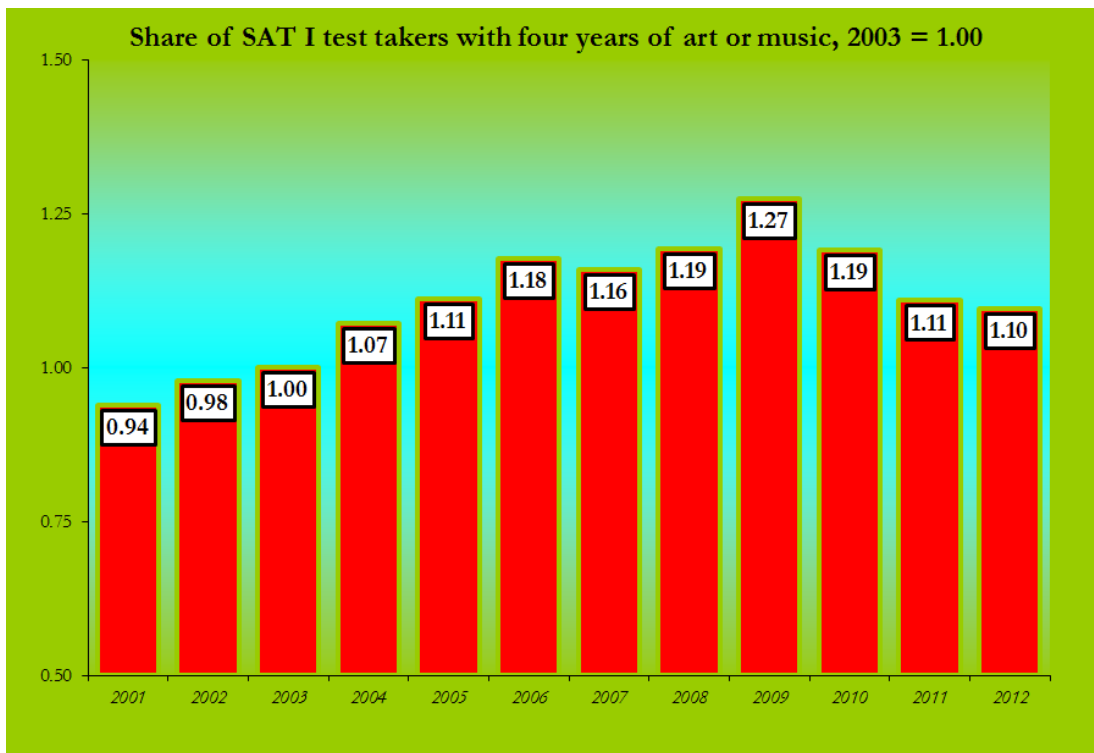


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Annual payroll in all industries (\$B)	3,989	3,943	4,041	4,254	4,483	4,793	5,027	5,131	5,027	4,941	5,165	5,414
Annual payroll in arts-related industries (\$M)	77,866	76,583	78,722	79,481	85,167	91,574	94,302	95,239	87,706	85,683	85,887	92,448
Arts share of payroll	1.95%	1.94%	1.95%	1.87%	1.90%	1.91%	1.88%	1.86%	1.74%	1.73%	1.66%	1.71%
Indexed to 2003 = 1.00	1.00	1.00	1.00	0.96	0.98	0.98	0.96	0.95	0.90	0.89	0.85	0.88

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

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

This indicator measures the number of SAT test takers with four years of art and music as a share of all test takers who provide data on their curriculum experience. Those students were a growing percentage of college-bound seniors, reaching 20 percent in 2009, but declining to 17.4 percent in 2012. This may be illustrating the impacts of reduced arts education in public and some private schools on college-bound seniors’ preparation.

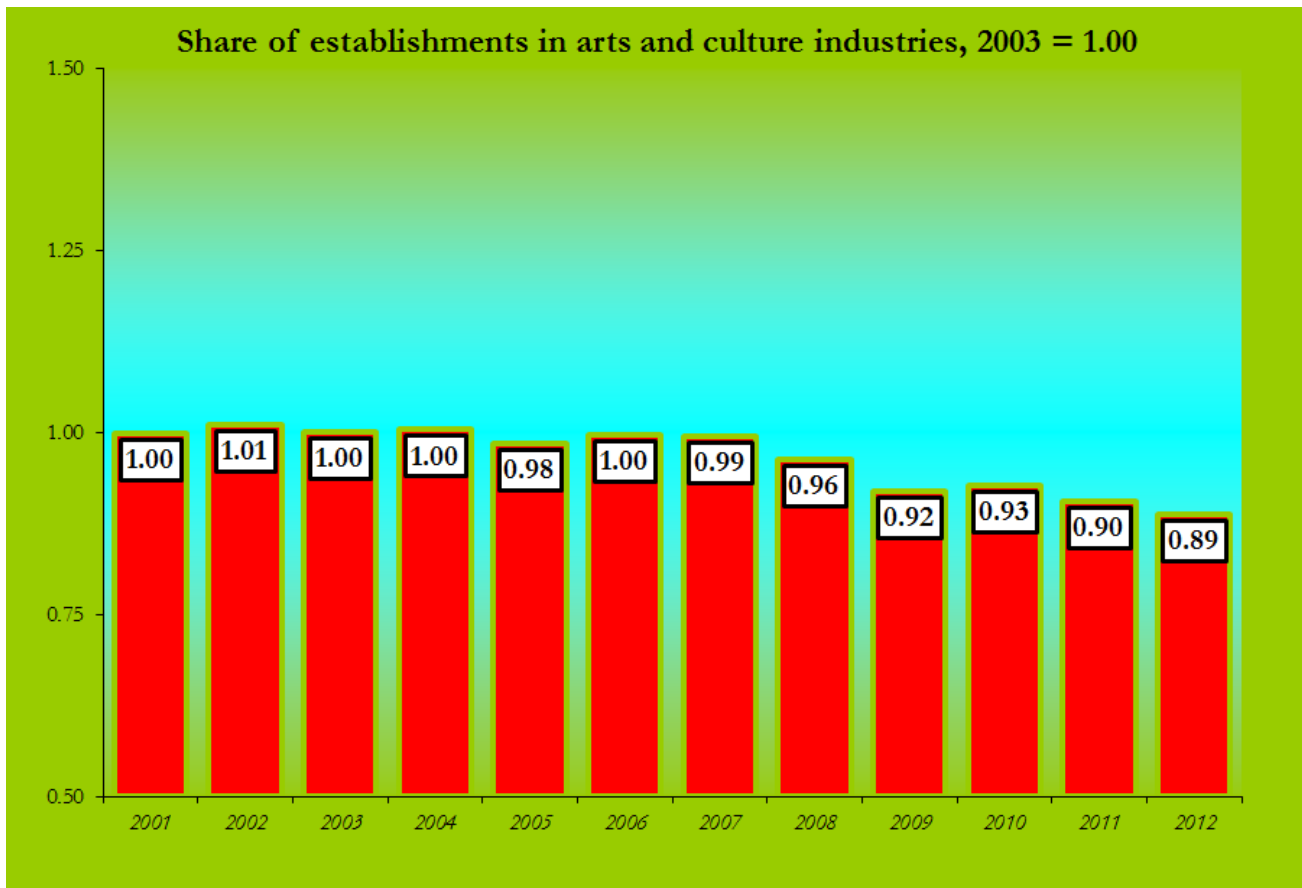


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Students with SAT 1 Scores (000)	1,276.32	1,327.83	1,402.32	1,419.01	1,502.62	1,465.74	1,494.53	1,518.86	1,530.13	1,547.99	1,647.12	1,664.48
Nonrespondents to questionnaire	250,266	321,635	420,014	355,708	299,236	292,105	290,815	358,820	265,355	264,320	325,825	398,707
SAT test takers with more than 4 years of art or music	93,535	82,151	72,892	66,604	66,391	60,672	61,851	58,647	63,211	87,857	109,589	108,916
SAT test takers with 4 years of art or music	153,040	156,470	156,012	180,813	212,535	219,380	221,509	219,705	255,744	242,564	232,553	220,299
SAT test takers with three years of art or music	122,882	118,596	116,890	124,662	135,116	136,059	143,180	142,841	169,767	169,760	173,726	167,492
SAT test takers with 2 years of art or music	175,818	177,813	176,403	195,854	220,644	218,816	225,460	227,788	269,190	270,096	276,130	264,606
SAT test takers with 1 year of art or music	276,028	273,148	272,238	297,924	327,658	327,202	338,727	321,390	321,979	317,607	324,420	306,887
SAT1 test takers with one-half year or less of arts or music	204,751	198,018	187,875	197,442	241,043	211,510	212,989	189,668	184,882	195,876	204,610	197,572
Share of respondents test takers with 4 years of art or music	14.9%	15.6%	15.9%	17.0%	17.7%	18.7%	18.4%	18.9%	20.2%	18.9%	17.6%	17.4%
Indexed to 2003 = 1.00	0.94	0.98	1.00	1.07	1.11	1.18	1.16	1.19	1.27	1.19	1.11	1.10

64. SHARE OF ESTABLISHMENTS IN ARTS AND CULTURE INDUSTRIES

In a dynamic economy that mostly grows and sometimes contracts, the number of firms in a particular industry will change. Economic circumstances may favor one kind of company over another, and businesses continually enter and exit. From 1999 through 2007, there was an increase in the total number of arts and culture establishments that paralleled similar change in the broader economy (i.e., the total number of establishments grew in every industry). Newer information from 2008-12 shows some of the impact of the economic 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 2012. 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.

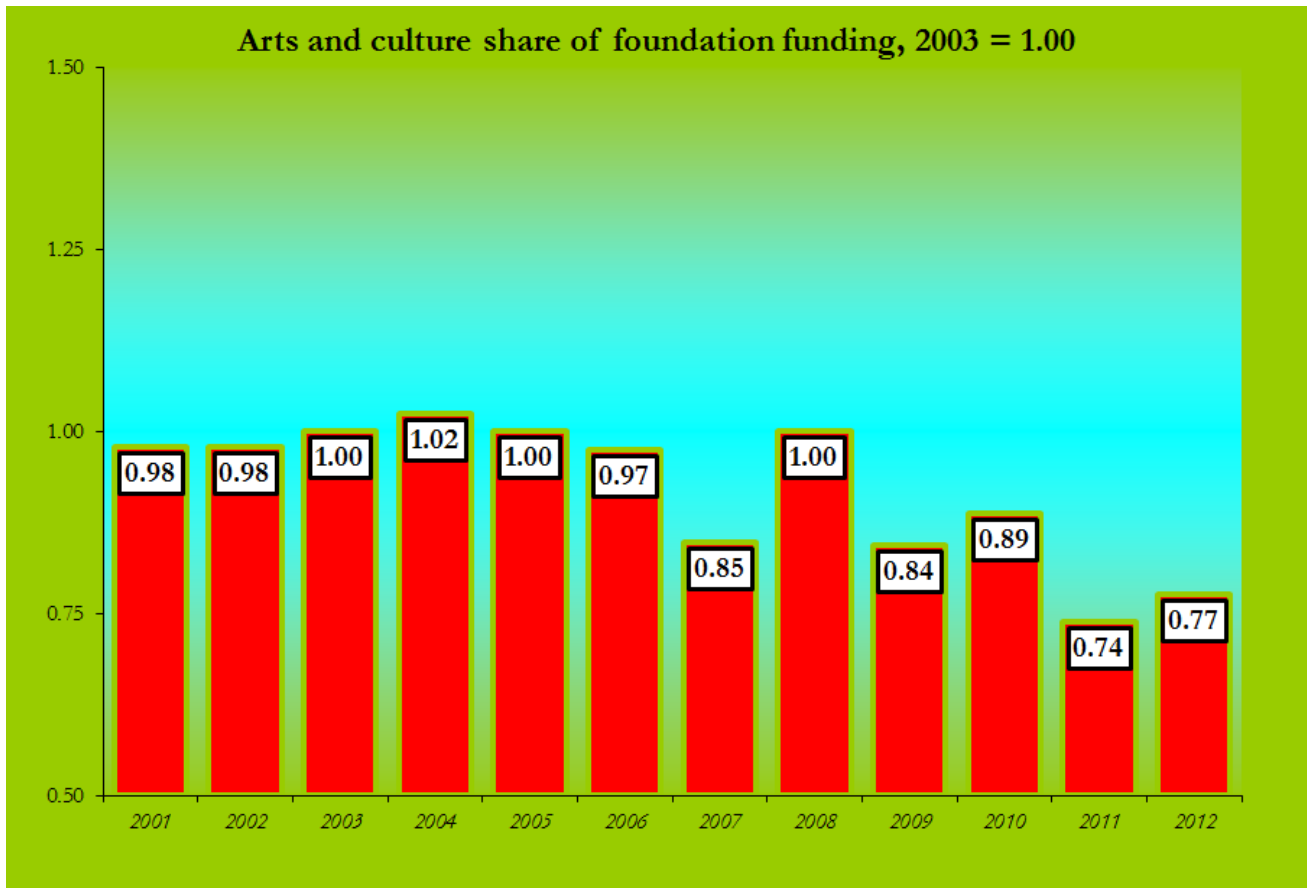


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Establishments in all industries (000)	7,095	7,201	7,255	7,388	7,500	7,601	7,705	7,601	7,705	7,397	7,350	7,432
Establishments in arts-related industries	211,448	216,995	216,480	221,107	220,185	225,880	228,377	218,328	211,081	204,375	198,344	196,723
Arts share of establishments	2.98%	3.01%	2.98%	2.99%	2.94%	2.97%	2.96%	2.87%	2.74%	2.76%	2.70%	2.65%
Indexed to 2003 = 1.00	1.00	1.01	1.00	1.00	0.98	1.00	0.99	0.96	0.92	0.93	0.90	0.89

65. ARTS AND CULTURE SHARE OF FOUNDATION FUNDING

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

This indicator measures foundation funding of arts and culture organizations as a share of all foundation funding. These data are from the Foundation Center's annual surveys of foundations. This survey summarizes nearly 150,000 grants of \$10,000 or more made by approximately 1,100 of the nation's largest foundations. Foundation funding thus represents a bright spot for arts funding, especially compared to the losses in corporate support. Along with the number of grants, Foundation dollar amounts increased from 2001 through 2012 only modestly, by six percent to \$2.2 billion, when measured in current dollars; this leads to a decrease of about 18 percent when adjusted for inflation. From 2001-06, the arts and culture share was fairly stable, but it was more erratic in recent years. In 2012, the arts received just 9.7 percent of foundation funding, up slightly over the 2011 figure which was the lowest share reported in the 13 years of the Index.

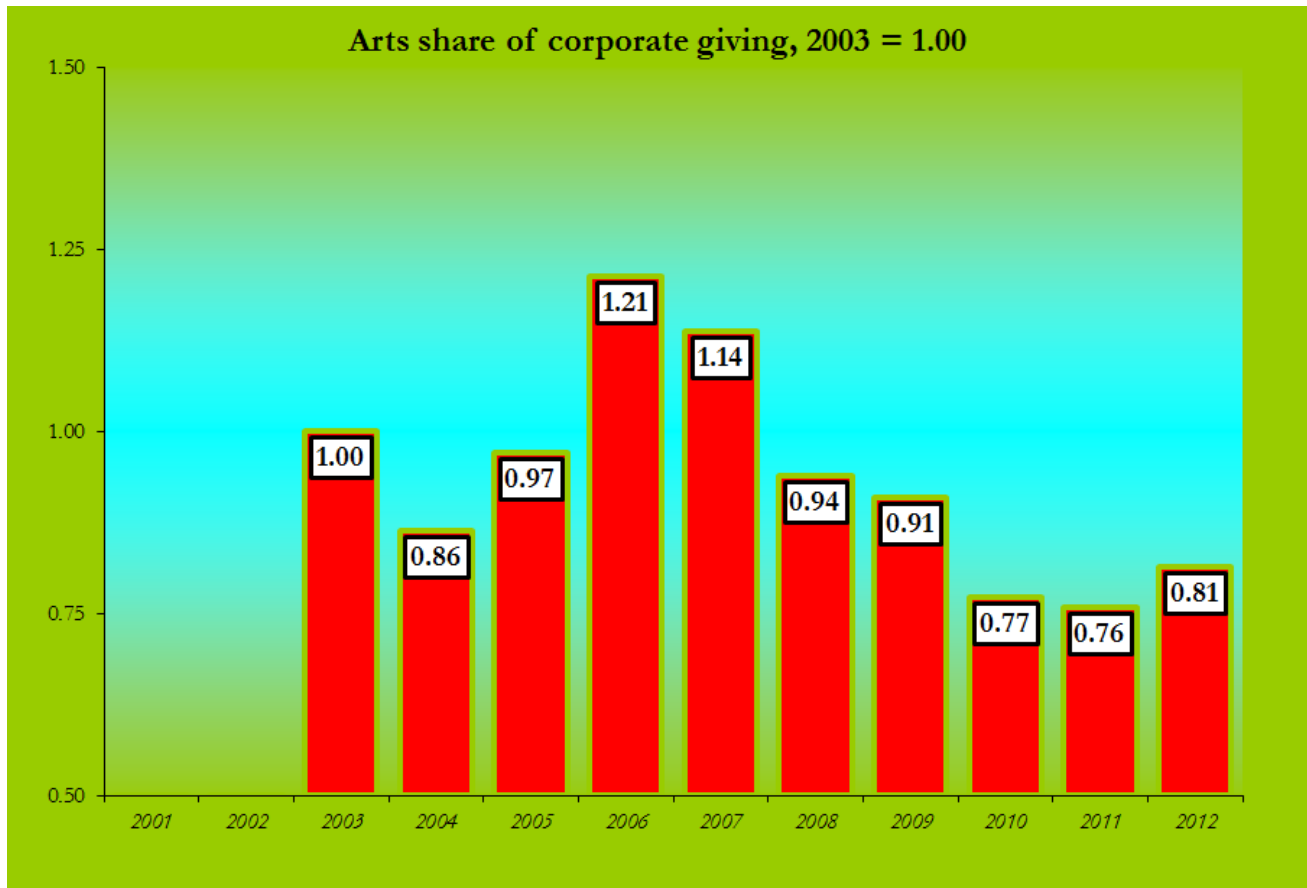


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total foundation grant dollars (\$M)	16,763	15,925	14,323	15,478	16,428	19,123	21,650	25,266	22,138	20,546	24,593	22,357
Foundation arts and culture grants (\$M)	2,048	1,946	1,790	1,980	2,055	2,330	2,294	3,156	2,332	2,276	2,170	2,198
Share of foundation giving to arts and culture	12.2%	12.2%	12.5%	12.8%	12.5%	12.2%	10.6%	12.5%	10.5%	11.1%	9.2%	9.7%
Indexed to 2003 = 1.00	0.98	0.98	1.00	1.02	1.00	0.97	0.85	1.00	0.84	0.89	0.74	0.77

66. ARTS AND CULTURE SHARE OF CORPORATE FUNDING

Corporate support of the nonprofit sector is a major piece of the financing puzzle, especially for large organizations. Corporate support is only one facet of overall business support, and innumerable small businesses support the arts in their communities. For many years, the Conference Board conducted studies of its corporate members' giving activities. The Committee Encouraging Corporate Philanthropy (CECP) is a newer group serving major corporations with a principal purpose of enhancing the quantity and quality of corporate giving. The Conference Board ceased its independent study of corporate dollars and the arts share of corporate dollars (historical data is located in Appendix F) and now partners with CECP on its corporate philanthropy research. The *2011 Giving in Numbers* report uses data from 240 companies that include 60 of the Fortune 100.

This indicator measures the share of total philanthropy given to support arts, culture, and humanities by respondents to its annual member survey. From 2006 through 2012, arts support ranged from 5.0 to 8.0 percent of total corporate giving, with the same downward trend as seen in the Conference Board data. The most recent figures have fallen in the low end of that range

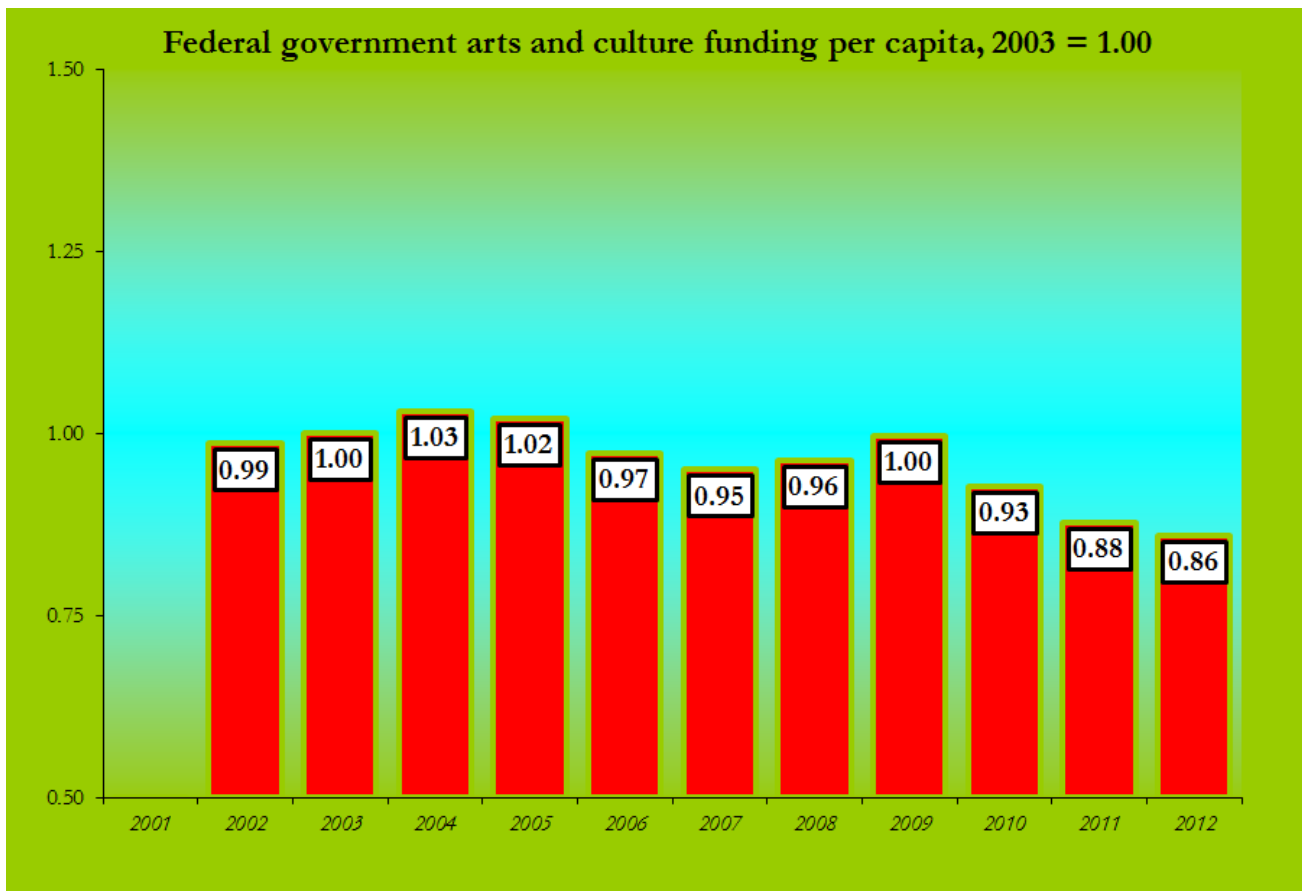


	2001-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Share of corporate giving to the arts from CECP		6.6%	5.7%	6.4%	8.0%	7.5%	6.2%	6.0%	5.1%	5.0%	5.4%
Indexed to 2003 = 1.00	N/D	1.00	0.86	0.97	1.21	1.14	0.94	0.91	0.77	0.76	0.81

67. FEDERAL GOVERNMENT ARTS AND CULTURE FUNDING PER CAPITA

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

This indicator measures the provision of arts and culture funding by the federal government to every American. The arts largely maintained or grew their dollars in the fiscal environment through 2011. What this indicator reveals is that this amount peaked in 2004 at \$6.63, but dropped 17 percent to \$5.53 in 2012 in constant dollars.

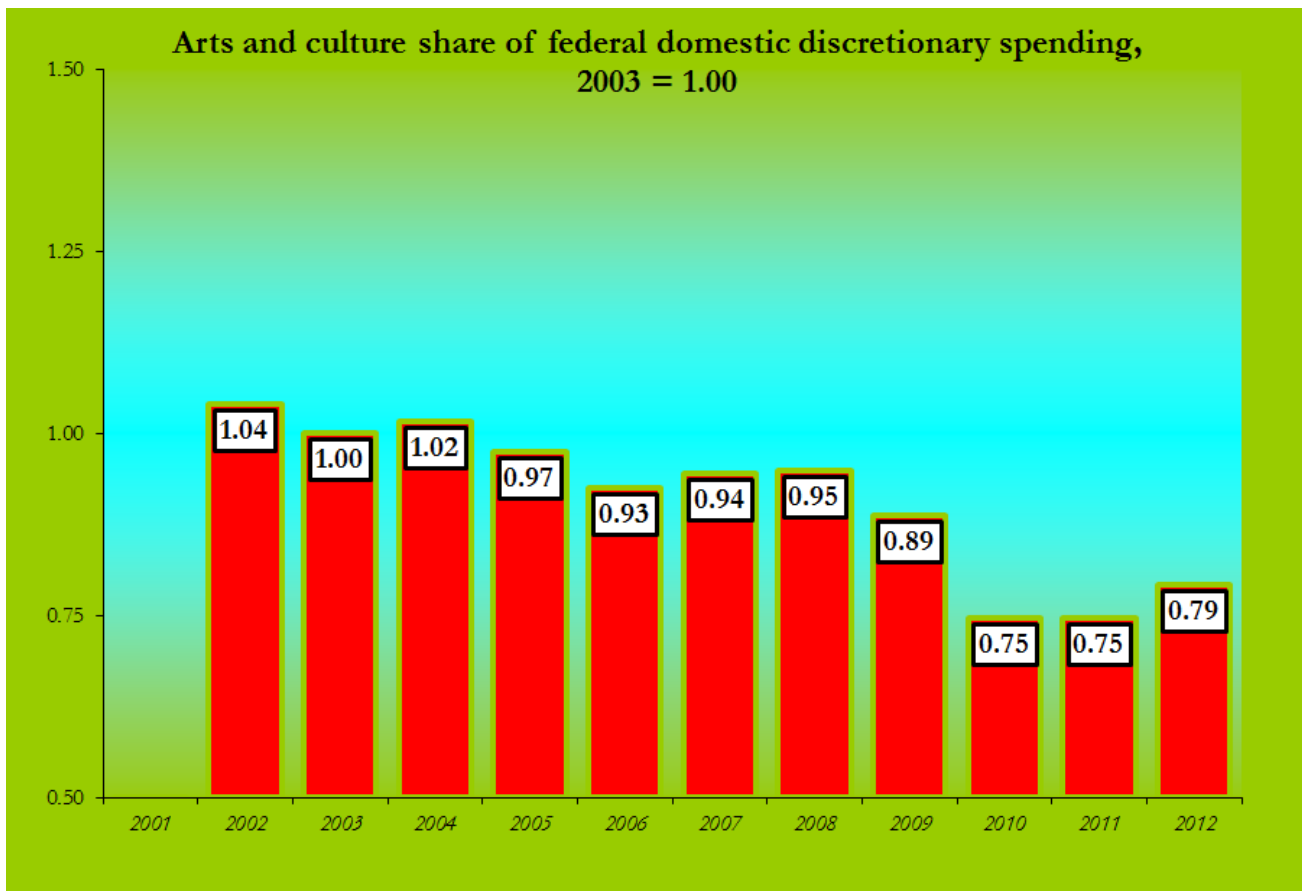


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total federal arts Spending (\$000)		1,525	1,598	1,705	1,762	1,751	1,776	1,888	1,962	1,870	1,839	1,856
U.S. population		287,804	290,326	293,046	295,753	298,363	301,580	304,375	307,007	309,629	311,592	314,914
Current dollar federal arts spending per capita		\$5.30	\$5.50	\$5.82	\$5.96	\$5.86	\$5.89	\$6.20	\$6.39	\$6.04	\$5.90	\$5.89
CPI at 2008 = 100.0		83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5	106.6
Constant dollar federal arts spending per capita		\$6.34	\$6.44	\$6.63	\$6.57	\$6.27	\$6.11	\$6.20	\$6.41	\$5.96	\$5.65	\$5.53
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	0.86

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

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

This indicator measures total 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, stayed flat in 2011, but increased slightly in 2012 as other federal outlays felt the effects of sequestration.

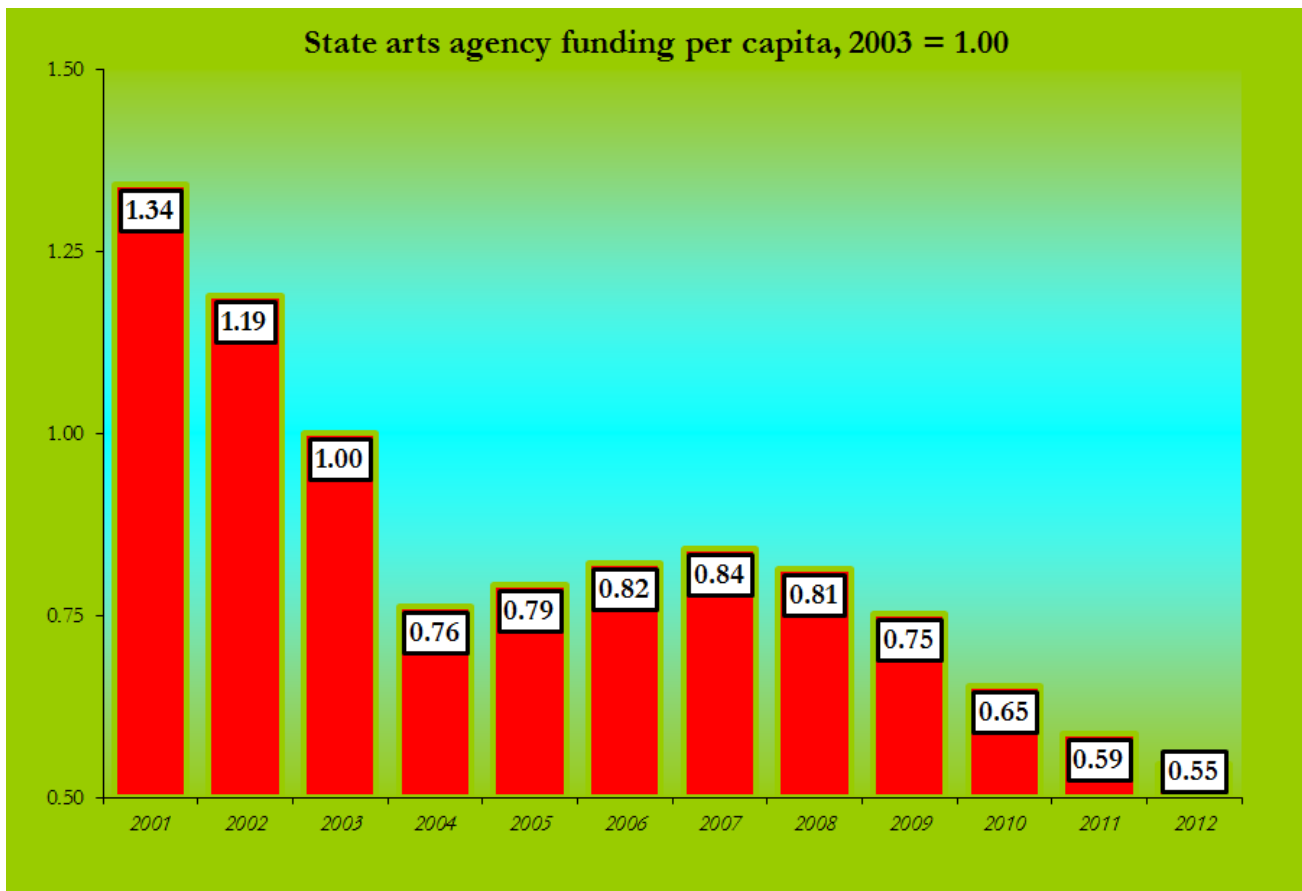


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total federal arts spending (\$000)		1,525,486	1,597,626	1,705,139	1,761,689	1,750,583	1,775,530	1,887,650	1,962,031	1,869,536	1,838,579	1,856,271
Federal discretionary domestic spending (\$B)		385.0	419.4	441.0	474.9	496.7	493.7	522.4	580.8	658.3	647.7	616
Percentage of FDD on select arts programs		0.40%	0.38%	0.39%	0.37%	0.35%	0.36%	0.36%	0.34%	0.28%	0.28%	0.30%
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	0.79

69. STATE ARTS AGENCY FUNDING PER CAPITA

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

This indicator measures constant dollar per capita funding by states. It shows the relationship between total state legislative appropriations to all state arts agencies on the one hand, and total U.S. population on the other. State arts funding is volatile, whether rising or falling. Population, on the other hand, has grown 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, and then gradually grew through 2007. In later years, it fell to \$0.78 per person, dropping below \$1.00 for the first time in 2010.

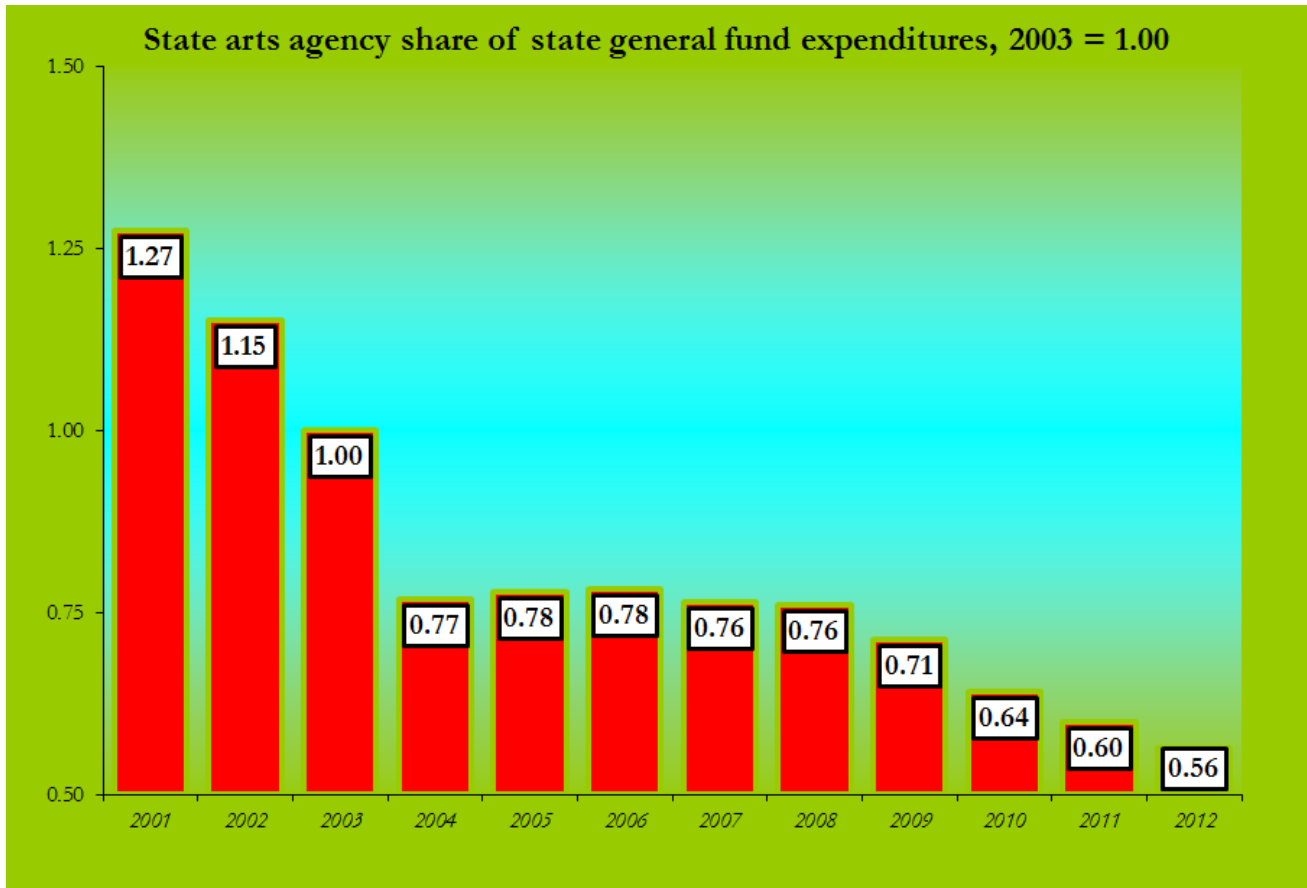


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
State arts agency legislative appropriations (\$M)	450,577	409,725	355,673	280,990	304,209	328,859	350,122	354,746	329,801	293,200	273,957	263,032
CPI at 2008 = 100.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3	104.5	106.6
Constant dollar state funding of state arts agencies (\$M)	547,765	490,349	416,176	320,260	335,362	351,207	363,561	354,746	330,974	289,494	262,218	246,660
U.S. population (000)	285,082	287,804	290,326	293,046	295,753	298,363	301,580	304,375	307,007	309,629	311,592	314,914
Constant dollar state arts expenditure per capita	\$1.92	\$1.70	\$1.43	\$1.09	\$1.13	\$1.18	\$1.21	\$1.17	\$1.08	\$0.93	\$0.84	\$0.78
Indexed to 2003 = 1.00	1.34	1.19	1.00	0.76	0.79	0.82	0.84	0.81	0.75	0.65	0.59	0.55

70. STATE ARTS AGENCY SHARE OF STATE GENERAL FUND EXPENDITURES

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

This indicator measures the share of general fund appropriations for state arts agencies as a share of all state general fund appropriations. While it would also be helpful to consider similar measures for state humanities councils, museums, or other related programs, those data are not available. Arts agency funding as a share of total state general fund spending peaked in 2001 at 0.089 percent, and declined steadily until 2012, when it was less than half of the earlier 2001 peak. In 2012, less than one-twentieth of 1 percent of general state spending went to arts councils.

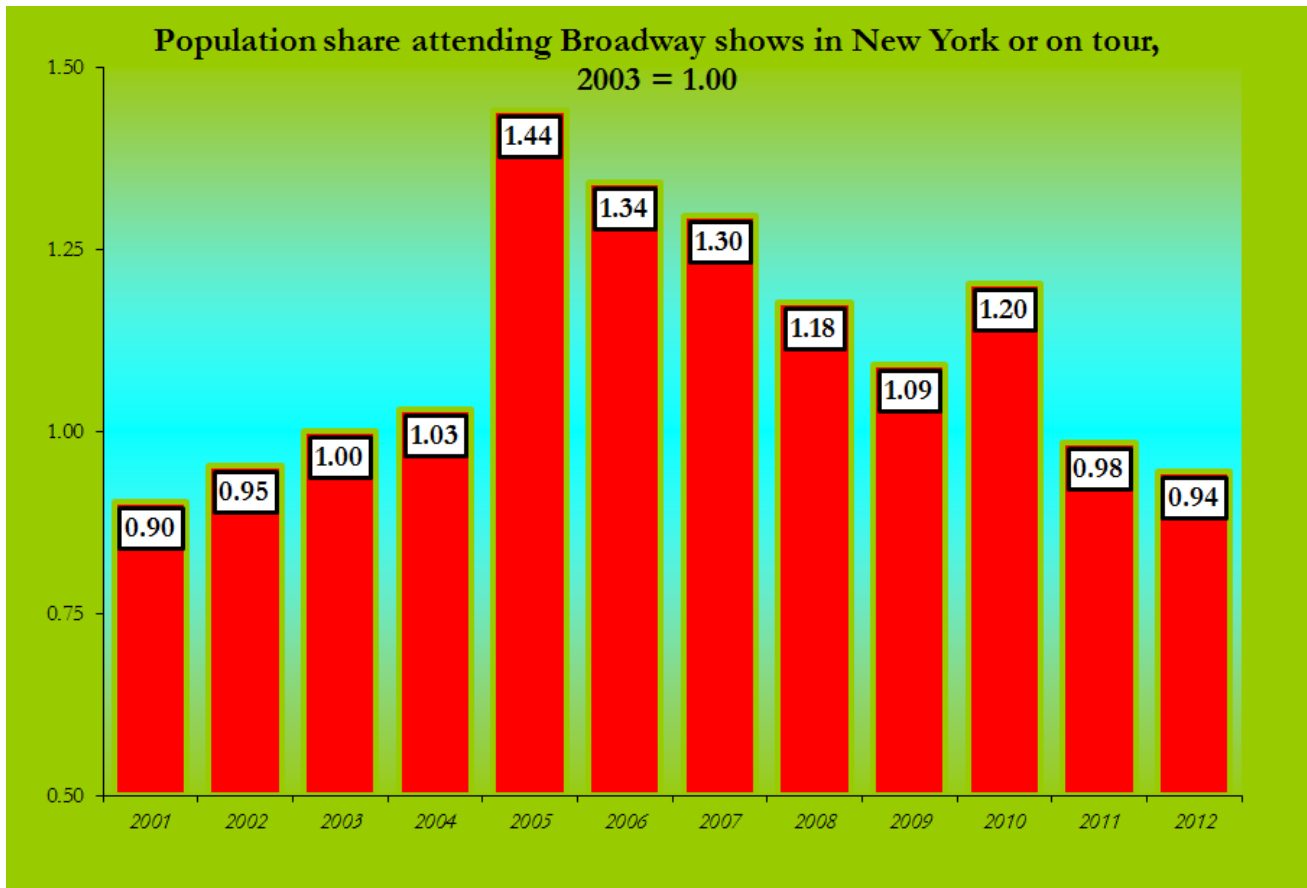


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Aggregate state general fund expenditures (\$B)	505,701	508,618	508,290	522,869	558,280	601,107	654,676	667,692	689,100	689,100	652,900	666,553
State arts agency legislative appropriations (\$000)	450,577	409,725	355,673	280,990	304,209	328,859	350,122	354,746	343,117	293,200	273,958	263,031
State arts agency share of total state budget	0.089%	0.081%	0.070%	0.054%	0.054%	0.055%	0.053%	0.053%	0.050%	0.045%	0.042%	0.039%
Indexed to 2003 = 1.00	1.27	1.15	1.00	0.77	0.78	0.78	0.76	0.76	0.71	0.64	0.60	0.56

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

The separate indicators for attendance at Broadway performances in New York City or on tour 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 total attendance at all New York and touring Broadway performances, measured by the Broadway League, as a share of the total U.S. population. Attendance at touring Broadway shows historically made up the majority of the total audience, though the difference between the two audience populations is declining. The overall population share seeing Broadway events increased after 2001, then saw persistent declines between 2005 and 2012, interrupted by a rebound in 2010.

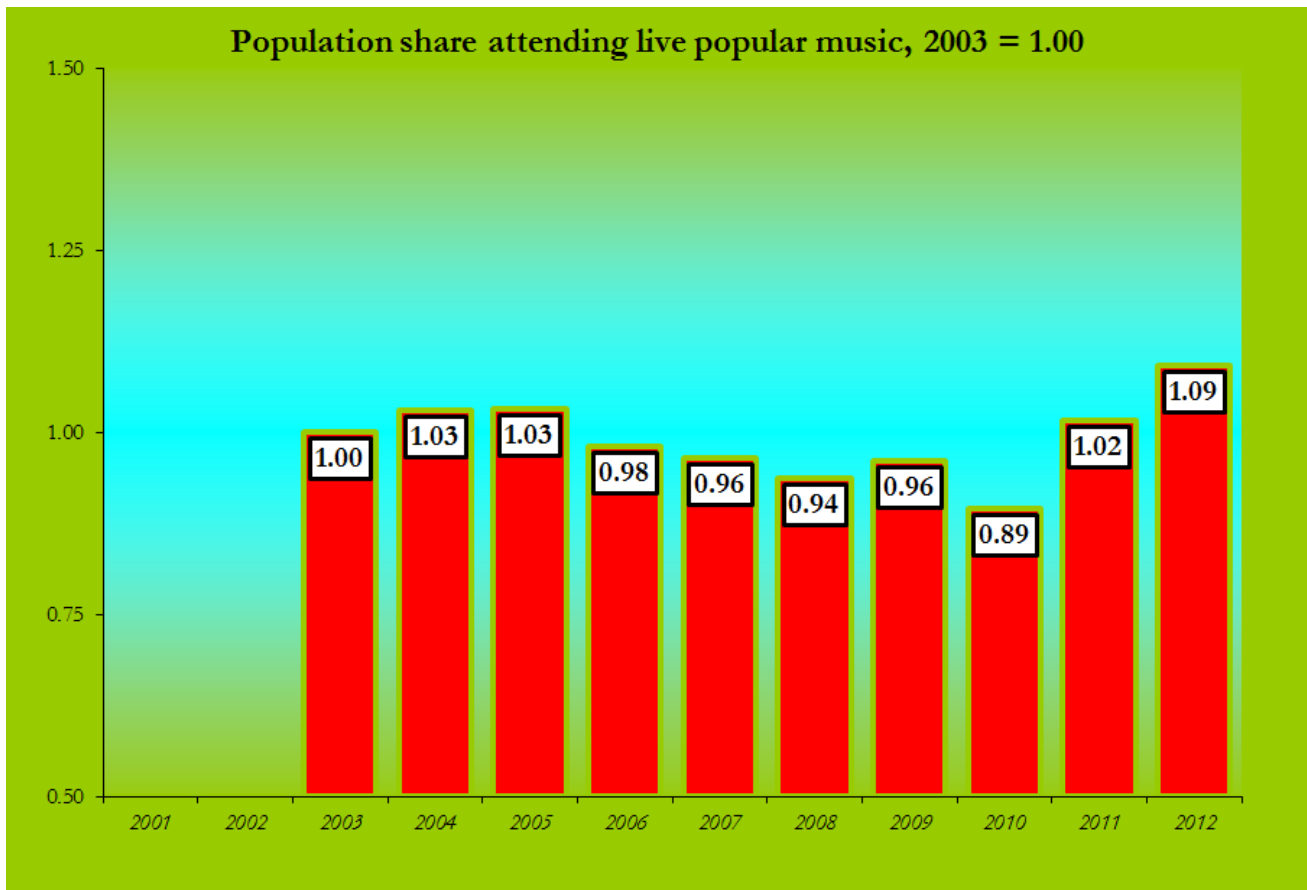


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
NYC Attendance (000)	11,896	10,955	11,423	11,605	11,527	12,003	12,312	12,267	12,250	11,890	12,530	12,330
Touring Attendance (000)	11,000	11,700	12,400	12,900	18,200	17,100	16,700	15,300	14,300	15,900	13,100	12,700
Total Attendance (000)	22,896	22,655	23,823	24,505	29,727	29,103	29,012	27,567	26,550	27,790	25,630	25,030
U.S. population (000)	285,082	287,804	290,326	293,046	295,753	298,363	301,580	304,375	307,007	309,629	311,592	314,914
Total Attendance as a percentage of total population	3.9%	4.1%	4.3%	4.4%	6.2%	5.7%	5.5%	5.0%	4.7%	5.1%	4.2%	4.0%
Indexed to 2003 = 1.00	0.90	0.95	1.00	1.03	1.44	1.34	1.30	1.18	1.09	1.20	0.98	0.94

72. POPULATION SHARE ATTENDING LIVE POPULAR MUSIC

Scarborough Research collected data on arts attendance by adult residents in 81 metropolitan areas in 2012. The populations of those regions, comprised of about 75 percent of total U.S. population in 2011, have been growing along with the general population. Scarborough data include not only the numbers attending events, but also the market penetration or percentage share of adults engaging in that activity.

This indicator measures the share of that surveyed population of about 237 million that has attended one or more popular music events. In all, between 20 to 25 percent of metro area adults have attended one or more such concert events. Unlike measures based on producers' attendance counts, this indicator refers to separate individuals who indicated they went to one or more music event, so this is a relatively clear population share. Following a sharp drop in 2010, increases in 2011 and 2012 brought this measure back to pre-recession levels.

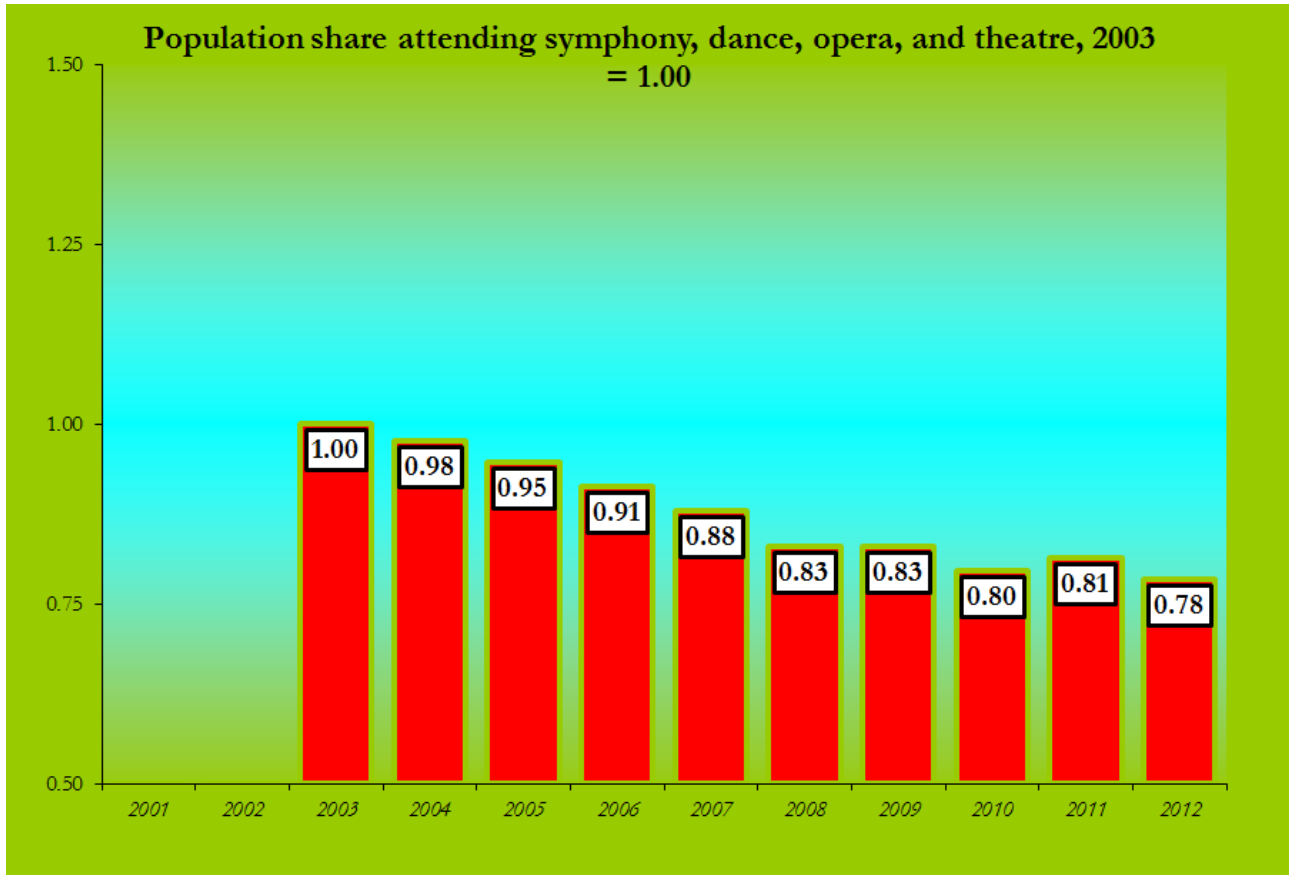


	2001-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total live popular music (000)		48,579	50,742	51,818	49,758	49,513	48,657	50,419	47,358	54,298	58,667
Total surveyed population (000)		213,638	216,884	220,698	223,086	225,650	228,481	230,975	232,961	235,017	236,611
Share of surveyed adults in 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%	24.8%
Indexed to 2003 = 1.00	N/D	1.00	1.03	1.03	0.98	0.96	0.94	0.96	0.89	1.02	1.09

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

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

This indicator includes adults who attend specifically “Live theatre;” “Dance or ballet” or “Symphony Concert, opera, etc.” as a share of all adults. The numerator in this indicator is the estimate in indicator #49 (i.e., the sum of Scarborough’s estimates of attendance at these performing arts events), and the denominator is Scarborough’s estimate of the total adult population 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 2012, 32 percent of the adult population attended a performing arts event—pulling back from stronger performance in 2011.

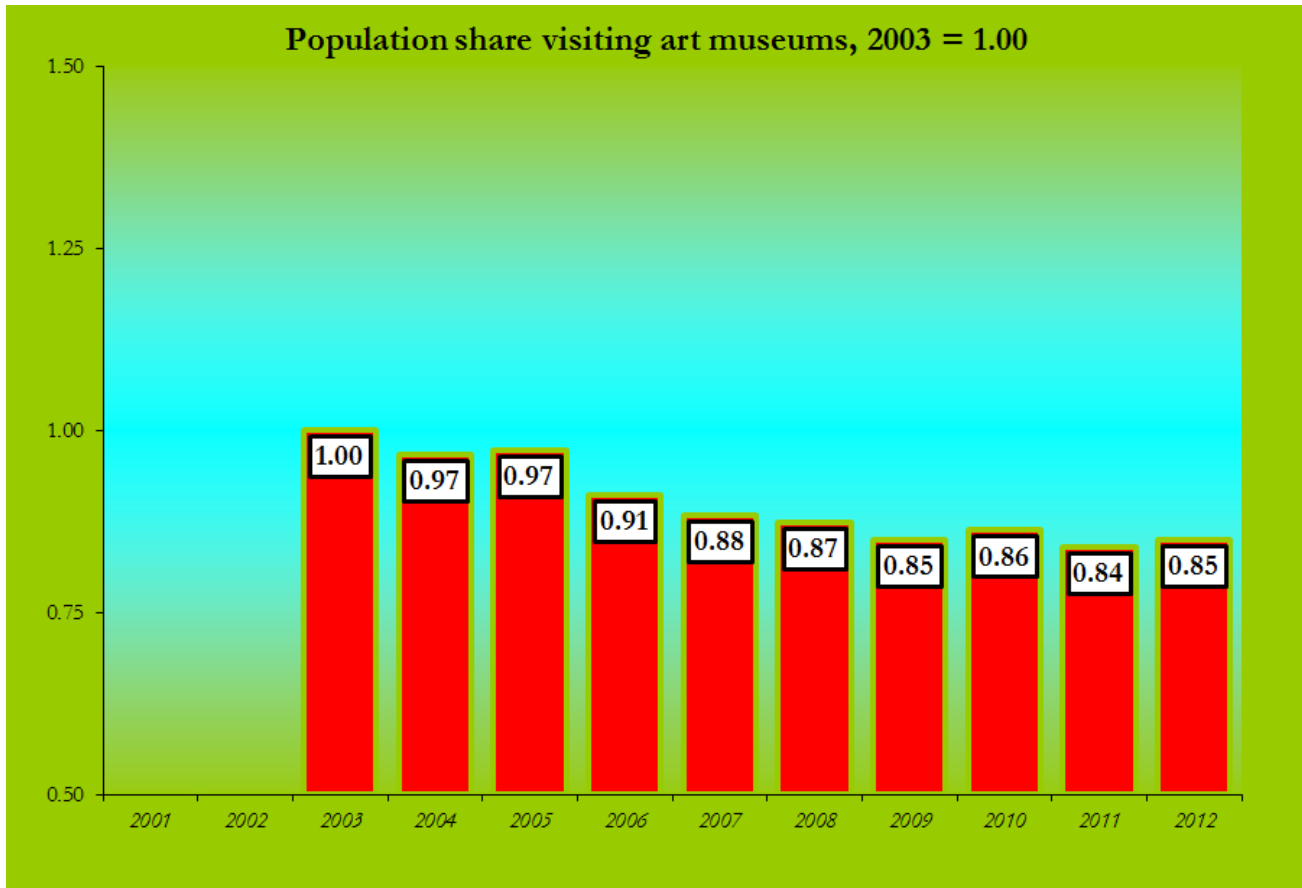


	2001-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total live performing arts attendance (000)		86,376	85,596	84,475	82,280	80,134	76,678	77,486	74,980	77,333	74,940
Total surveyed adult population (000)		213,638	216,884	220,698	223,086	225,650	228,481	230,975	232,961	235,017	236,611
Share of surveyed adults attending symphony, dance, opera, or theatre.		40.4%	39.5%	38.3%	36.9%	35.5%	33.6%	33.5%	32.4%	34.6%	31.7%
Indexed to 2003 = 1.00	N/D	1.00	0.98	0.95	0.91	0.88	0.83	0.83	0.80	0.81	0.78

74. POPULATION SHARE VISITING ART MUSEUMS

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

This indicator measures the share of adult respondents to Scarborough's total survey base that visited an art museum at least once in the prior 12 months. 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. Subsequently, it grew closer to mid-2000s levels, reaching 13.1 percent in 2012.

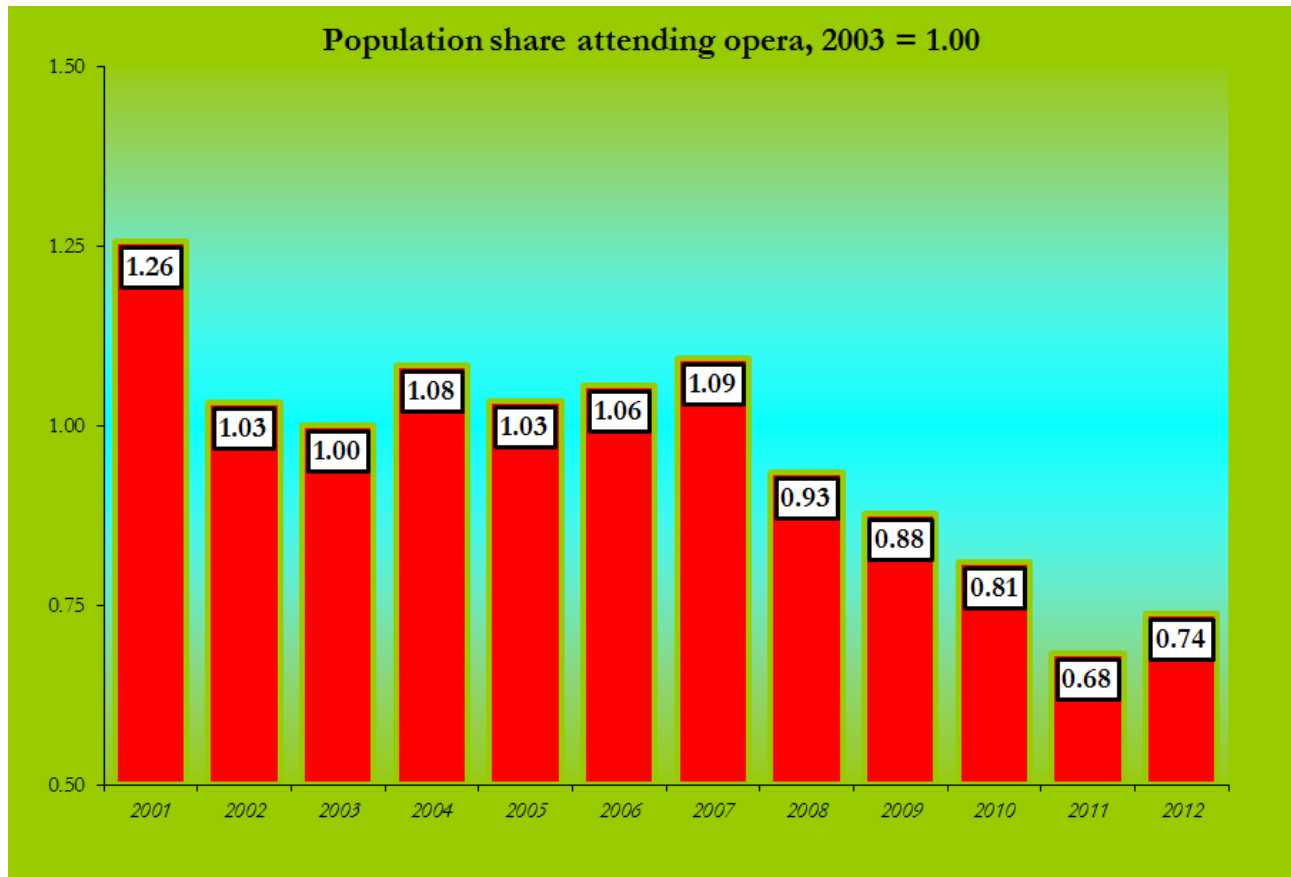


	2001-2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total art museum attendance (000)		33,070	32,413	33,190	31,449	30,829	30,863	30,333	31,090	30,506	31,085
Total surveyed adult population (000)		213,638	216,884	220,698	223,086	225,650	228,481	230,975	232,961	235,017	236,611
Share of surveyed adults in 77 metropolitan markets visiting art museum		15.5%	14.9%	15.0%	14.1%	13.7%	13.5%	11.5%	13.3%	13.0%	13.1%
Indexed to 2003 = 1.00	N/D	1.00	0.97	0.97	0.91	0.88	0.87	0.85	0.86	0.84	0.85

75. POPULATION SHARE ATTENDING OPERA

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

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

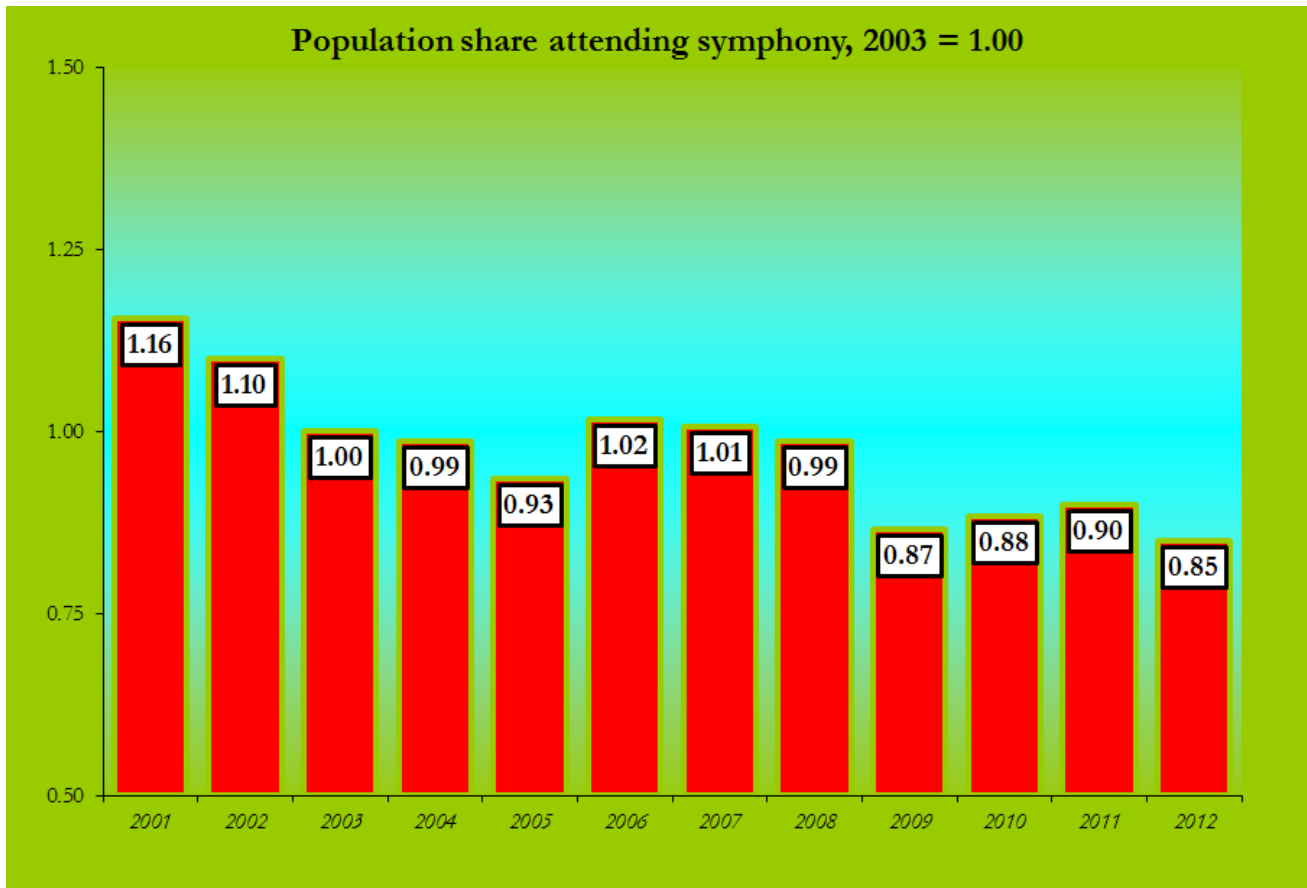


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Professional opera attendance (000)	3,872	3,211	3,142	3,436	3,309	3,411	3,568	3,078	2,914	2,710	2,304	2,514
Population (000)	285,082	287,804	290,326	293,046	295,753	298,363	301,580	304,375	307,007	309,629	311,592	314,914
Opera attendance as share of population	1.36%	1.12%	1.08%	1.17%	1.12%	1.14%	1.18%	1.01%	0.95%	0.88%	0.74%	0.80%
Indexed to 2003 = 1.00	1.26	1.03	1.00	1.08	1.03	1.06	1.09	0.93	0.88	0.81	0.68	0.74

76. POPULATION SHARE ATTENDING SYMPHONY

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

This indicator takes total attendance at symphony orchestra concerts, provided by the League of American Orchestras, and divides it by total U.S. population, to give a "market share" view. In the late 1990s, this share was over 12 percent, but it has since declined. Symphony share increased in 2010 and 2011, but then declined again in 2012 to 8.1%.

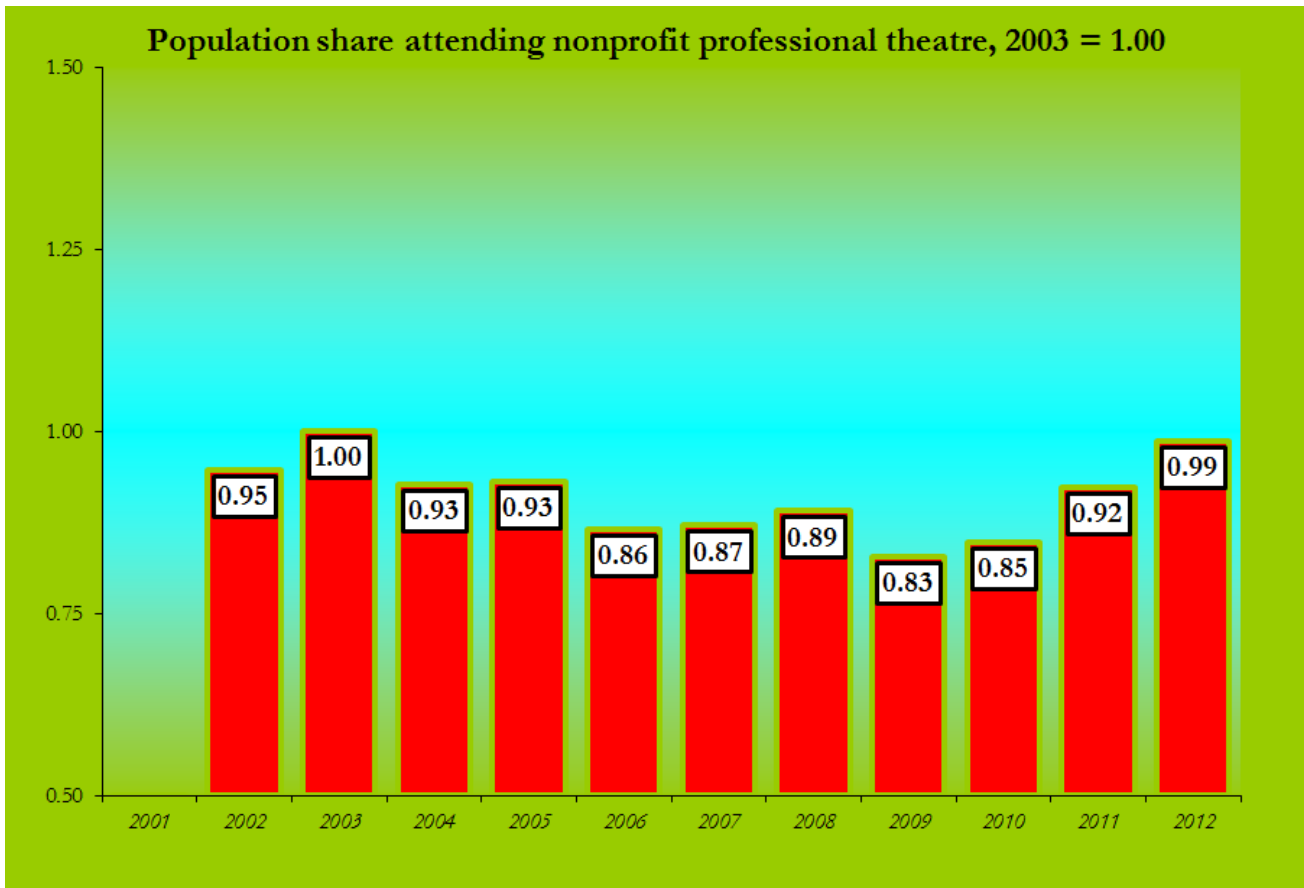


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total symphony attendance (000)	31,533	30,305	27,802	27,683	26,471	29,070	29,070	28,718	25,443	26,183	26,812	25,603
U.S. Population (000)	285,082	287,804	290,326	293,046	295,753	298,363	301,581	304,375	307,007	309,629	311,592	314,914
Symphony attendance population share	11.1%	10.5%	9.6%	9.4%	9.0%	9.7%	9.6%	9.4%	8.3%	8.5%	8.6%	8.1%
Indexed to 2003 = 1.00	1.16	1.10	1.00	0.99	0.93	1.02	1.01	0.99	0.87	0.88	0.90	0.85

77. 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 time. The share of the potential marketplace that actually participates in theatre provides evidence of trends in demand.

This indicator takes total attendance at nonprofit professional theatre, as estimated by Theatre Communications Group, and divides it by total U.S. population. Because some patrons make repeat visits to the theatre, the total attendance number (all tickets sold) is greater than the number of people who attend. Theatre was relatively successful at sustaining market share in difficult market conditions, and 2011 and 2012 saw attendance rising faster than population; in 2012, attendance amounted to almost 12 percent of the U.S. population.

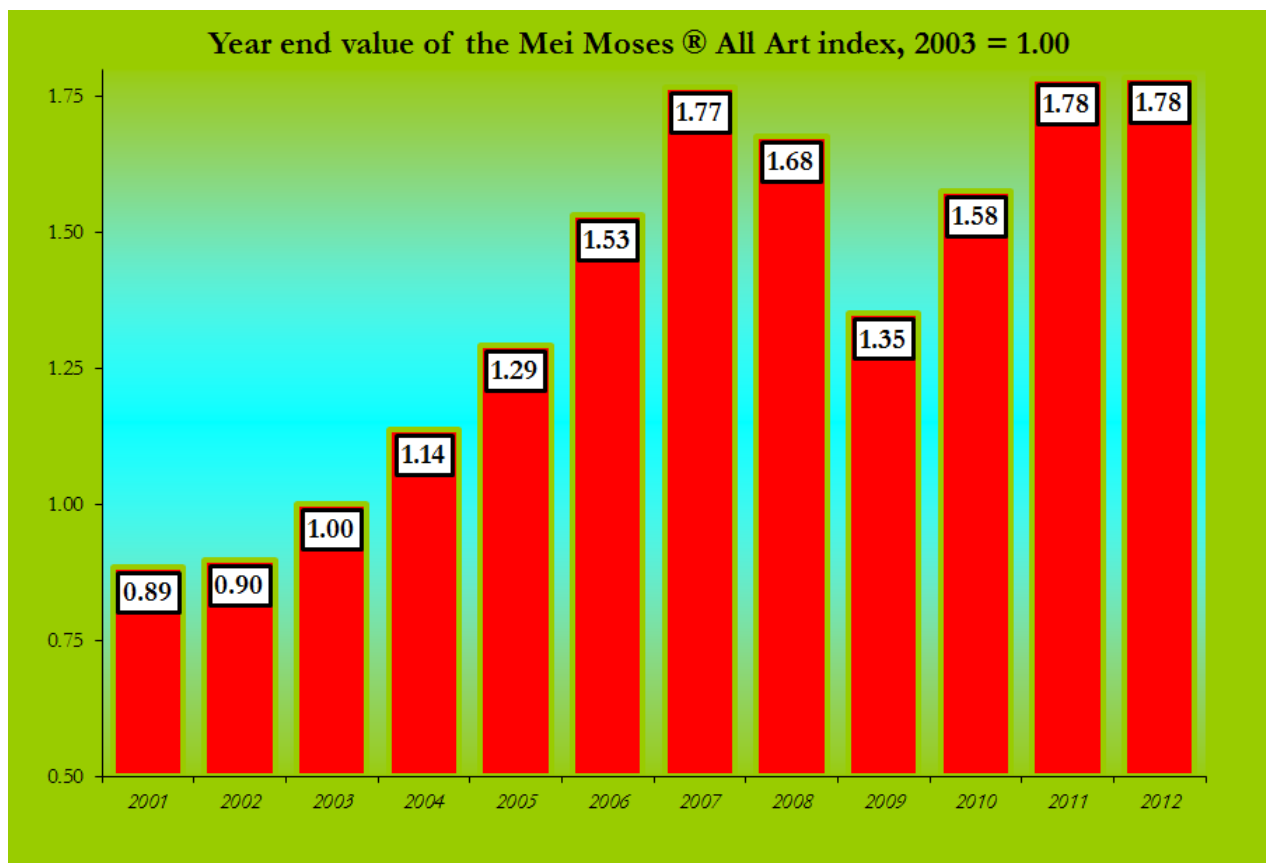


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total theatre attendance		32,200	34,300	32,100	32,500	30,500	31,000	31,000	30,000	30,000	34,000	36,700
Population (000)		287,804	290,326	293,046	295,753	298,363	301,580	304,375	307,007	309,629	311,592	314,914
Symphony attendance population share		11.2%	11.8%	11.0%	11.0%	10.2%	10.3%	10.2%	9.8%	9.7%	10.91%	11.65%
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	0.99

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

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

This indicator (included with permission) shows the value of the Mei-Moses® Art Index set to a value of 1996=1.0. Even when it is adjusted to the National Arts Index base year of 2003, this indicator shows that art returns almost doubled between 2001 and 2007, before decreasing (like many other indicators) in 2008 and 2009. There was a significant rebound in 2010 and 2011, bringing the Index back to its pre-recession levels. In the very long term (i.e., since 1958), Mei-Moses® shows that art has generated investment returns as high as the Standard & Poor's 500 Stock Index—that is, a 100-fold increase. It is easy to see from the chart that it is generally a highly volatile measure, with asset values growing and shrinking rapidly. That being said, the 2012 Mei-Moses Index was quite similar to its 2011 value.



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Year-end value of the Mei Moses® All Art Index	1.333	1.352	1.506	1.712	1.946	2.307	2.661	2.526	2.033	2.373	2.683	2.686
Indexed to 2003 = 1.00	0.89	0.90	1.00	1.14	1.29	1.53	1.77	1.68	1.35	1.58	1.78	1.78

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

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

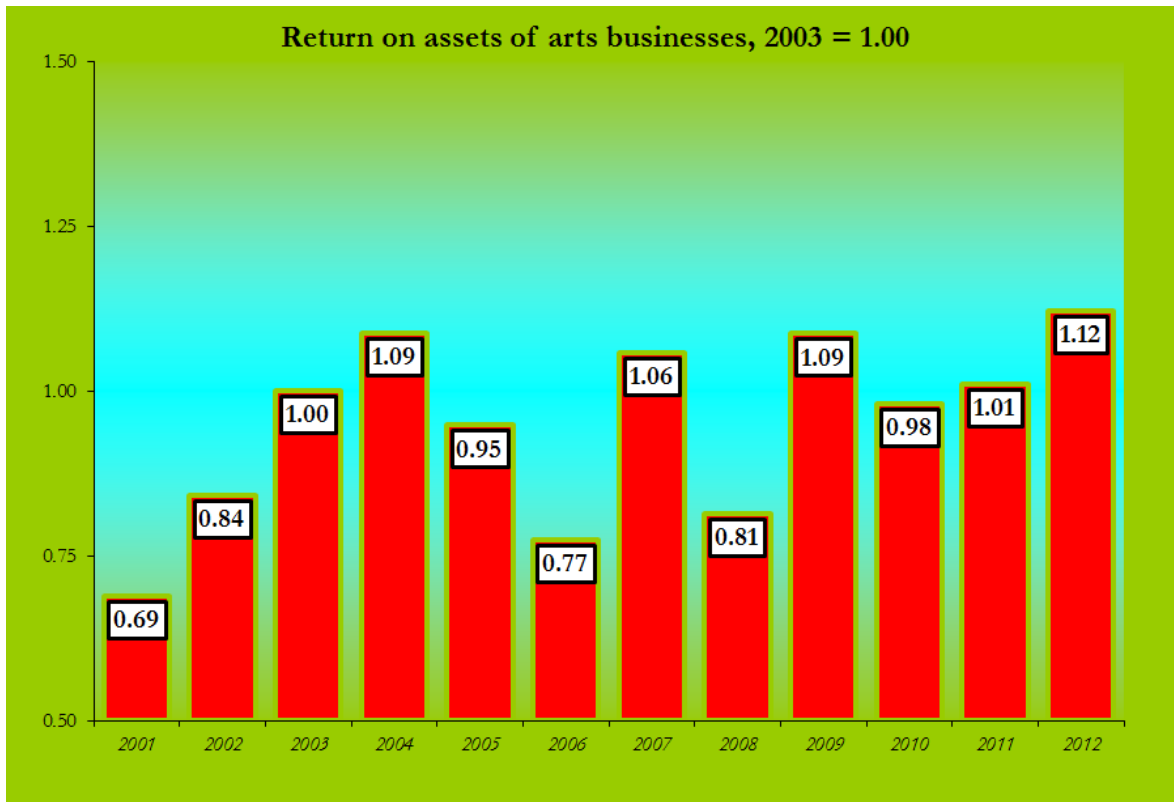
This indicator measures the U.S. share of world creative goods trade using data from the United Nations Conference on Trade and Development (UNCTAD). This is done by computing the shares of U.S. goods in exports and imports separately, and summing the two. Overall, America's role in global cultural trade declined steadily from 2002 through 2009, and then rebounded through 2012. From 2011 to 2012, there were increases in the U.S. share of both imports and exports.



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
U.S. creative goods exports (\$B)		52,188	54,916	60,675	65,145	68,443	66,135	70,821	60,021	69,024	75,960	75,338
World creative goods exports (\$B)		198,240	223,795	259,047	287,517	313,108	364,423	417,285	375,306	416,323	489,814	473,791
U.S. share of world creative goods exports		26.3%	24.5%	23.4%	22.7%	21.9%	18.1%	17.0%	16.0%	16.6%	15.5%	15.9%
U.S. creative goods imports (\$B)		14,485	15,162	16,780	18,421	20,477	23,045	27,150	22,714	25,243	27,064	27,070
World creative goods imports (\$B)		220,078	242,420	276,254	308,093	328,634	395,234	438,496	369,880	410,074	453,413	431,703
U.S. share of world creative goods imports		6.6%	6.3%	6.1%	6.0%	6.2%	5.8%	6.2%	6.1%	6.2%	6.0%	6.3%
U.S. share of world creative goods trade		32.9%	30.8%	29.5%	28.6%	28.1%	24.0%	23.2%	22.1%	22.7%	21.5%	22.2%
Indexed to 2003 = 1.0	N/D	1.07	1.00	0.96	0.93	0.91	0.78	0.75	0.72	0.74	0.70	0.72

80. RETURN ON ASSETS OF ARTS BUSINESSES

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 seeking to compare their performances to others in their industry or size range. The RMA data describe companies in 26 NAICS codes in arts and culture industries. This indicator measures return on assets for between 2,000 and 3,100 companies in those industries, aggregated across industries and size of business. 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 from 22 percent to a high of 35 percent in 2012, and averaging about 30 percent. The performance over time has been very dynamic, with wide ranges up and down from one year to the next. The on-going trend since 2006 has been one of growth, with some years experiencing higher values than others.

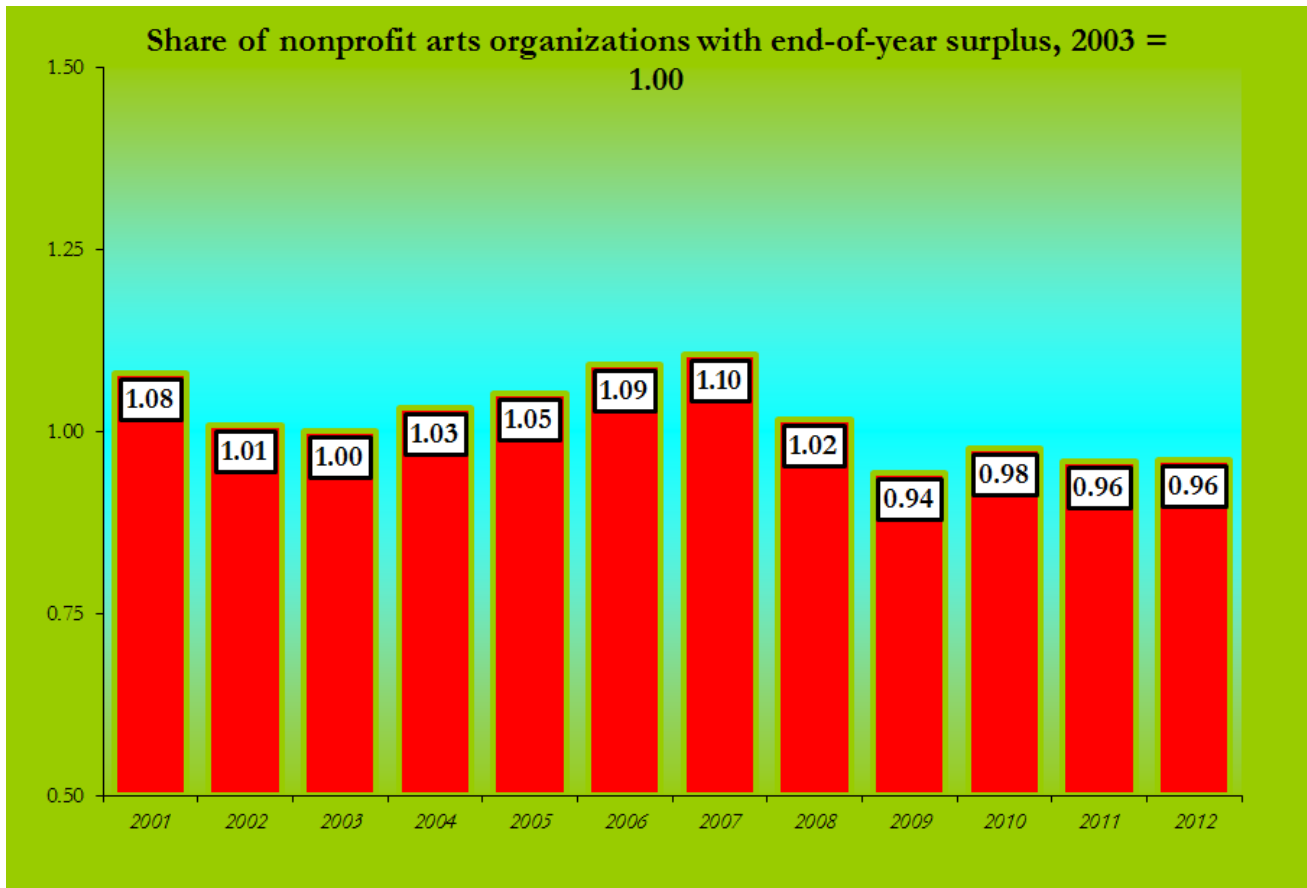


	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Number of statements	2,144	2,004	2,336	2,595	2,547	2,515	2,756	2,551	2,906	2,917	2,983	3,133
Total imputed profit (\$M) (i.e., % profit x sales)	5,737	6,550	9,805	11,754	10,039	9,166	14,711	11,005	17,199	14,039	15,016	17,461
Net sales (\$M)	33,986	38,413	49,539	53,633	50,752	46,951	62,507	55,106	66,683	54,734	57,142	67,405
Total assets (\$M)	26,386	24,700	31,082	34,269	33,589	37,566	44,088	42,836	50,188	45,391	45,095	49,405
Imputed profit/Total assets	21.7%	26.5%	31.5%	34.3%	29.9%	24.4%	33.4%	25.7%	34.3%	30.9%	31.9%	35.3%
Indexed to 2003 = 1.00	0.69	0.84	1.00	1.09	0.95	0.77	1.06	0.81	1.09	0.98	1.01	1.12

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

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

This indicator measures the percentage of arts organizations that either broke even or generated a surplus. 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 2012, a sign of some financial stability in the sector.



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Percentage of nonprofit arts organizations with end-of-year surplus or break-even budget	62.8	58.6	58.2	60.0	61.1	63.5	64.3	59.1	54.8	56.7	55.8	55.8
Indexed to 2003 = 1.00	1.08	1.01	1.00	1.03	1.05	1.09	1.10	1.02	0.94	0.98	0.96	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 2014 Index report on the arts in 2012 reveals 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 other findings and trends as especially significant for 2012:

- The economic recovery caught up with the arts industries with more indicators increasing in 2012 than in 2011. The arts are still looking for a sustained post-Great Recession rebound.
- Fewer nonprofit arts organizations were active in 2012—dropping to 91,000.
- Arts nonprofits continued to be challenged financially with more than 2-in-5 of them operating at a deficit.
- Total charitable giving and overall employment help explain the health of the arts sector—the two categories have the greatest predictive influence on the arts index.

How the public participates in and consumes the arts is ever-expanding—increasing demand to consume the arts using technology, continued growth in college arts degrees conferred annually, and a public seeking more active engagement in their arts choices. The data indicate that people are not walking away from the arts, but they are walking away from some of the traditional delivery mechanisms—downloading music instead of buying a CD from a retail store, or watching an opera simulcast at the cinema instead of live in the opera house.

The Index makes a value-free presentation of these findings, leaving it to the reader to determine which of these are inherently good or bad. Those diverse portrayals of the arts world through 81 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 81 indicators into one of four dimensions, each of which is a measure of change in the arts in 2012. The cumulative increase in the overall Index score includes elements of each of the four:

- *Financial flows* into the arts, after declining sharply from 2007 until 2010, stabilized in 2011 and increased slightly in 2012.

- *Capacity* indicators of organizations, workers, and investment similarly experienced their first upturn in 2012 after three years of decline.
- *Arts participation* improved for the third consecutive year in 2012, reaching a new high.
- The *competitiveness* of the arts fell in three straight years before stabilizing in 2012.

THE NATIONAL ARTS INDEX IN 2015 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 Report in autumn 2014, we recognize that our assessment was close, with the revival coming in 2012, a year later than we expected. Based on the broader increases in total employment and total philanthropy, the arts are well poised for growth in 2013. We are anxious, as researchers and arts advocates, to see if the data validates or challenges this projection. The next release scheduled for fall 2015, will help answer this question.

The nature of the Index is that it lags the actual events it describes by as much as two years, mainly because of the length of time required for our data sources to produce the reports we use. Inevitably, some of the trends and changes that we anticipate in this report have already taken place. For example, the transition to music streaming from downloads is gaining strength faster than had been foreseen in 2012.

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 the Index, adding other measures of the performance of the arts to help fill out the story. We are already gathering data about 2013 for the 2015 report.
- While we maintain an annual schedule for major Index reports, we stimulate more discussion by singling out key Index findings and analyses through [Artsblog](#) postings on the [Americans for the Arts](#) site as well as others.
- We adapted the Index for local use to equip community arts leaders and policy makers with 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 in the “Where You Live” area. It’s free. See what you can learn about your county and community. Like the National Arts Index, we update the Local Arts Index data periodically.
- We continue to explore relationships between the arts and what appear to be two significant drivers of the arts industries’ health: overall charitable giving, and total employment. In late 2014, gasoline prices are falling and employment is rising, both of which suggest additional discretionary income for arts spending and donations in 2015.
- Dissemination of the Index and the underlying data has been wide. Numerous academic papers and conference presentations have utilized data from the Arts Index projects, and the Index has been cited as a model for other national measures of cultural capacity, especially in Europe. The annual reports have been covered in national media. At a time when more institutions and research groups are publishing periodic arts data studies, the Index continues to be a reliable source of annual information.

The Arts Index and its follow-on projects were originally 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 the vitality of arts and culture in communities and around the country. Looking back after five years, that fundamental mission has not changed, and we hope that this report and its predecessors have served 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. Also included are brief discussions of calculated vs. raw indicators, the effects of inflation and population change, the statistical significance of the annual Index scores, data we sought but could not find and data we found but did not use, changes from earlier National Arts Index reports, and other multivariate approaches to using the data. We also gratefully acknowledge and thank our many collaborators on this project, and note some of the literature that influenced the project.

BENCHMARKS AND MODELS FOR THE NATIONAL ARTS INDEX

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

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

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

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

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

NATIONAL ARTS INDEX DATA

The Index was always intended to be summary of the best available data describing arts and culture. Although we did not use every indicator we found, this data set is the largest ever assembled describing arts and culture in the U.S. When planning began in 2005, we expected to find 25 or 30 indicators meeting the necessary criteria. This turned out to be too low by a wide margin, as we have found more than 100 sources of indicator data of which we have used many, and calculated additional dozens (not all of these were used). The indicators measure an enormous range of human activities, asset stocks, production, financial flows, employment, self-employment, voluntarism, production and consumption, creative goods and experiences, public and private, purchase, and philanthropy. They came from multiple sources; government bureaus, private membership associations, and academic and policy researchers were most fruitful. Table 10 below shows the nature of the sources used for the 2014 Index report:

TABLE 10. NATIONAL ARTS INDEX DATA SOURCES

Type of data source	Indicators
Government bureau	21
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 indicator data are noted in the one-page reports, and a comprehensive list is in Appendix E.

All indicators meet the following eight criteria:

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

Applying these criteria cannot overcome every problem in the data. Most Index indicators are based on secondary data, which combine their own virtues and flaws. Some challenges already encountered include lags, sampling problems, and gaps in the data. Every data series we wish to use is produced by a public or private organization, with an annual calendar, budget, and processes. Staff at many public and private offices has graciously helped us. For some indicators, we obtained data from more than one source, such as adding public statements of one organization to industry trade data that did not 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 2014 National Arts Index measures the vitality of arts and culture in the U.S. from 2001 to 2012, scaled to a base year of 2003 = 100.0. It is an average of the actual value of 81 different indicators.

In calculating the National Arts Index for 2001-2012, every indicator has equal weight for every year that it is measured. For years 2003-2012, every one of the 81 indicators has 1.23 percent of the weight (because $100 \text{ percent} / 81 = 1.23 \text{ percent}$). The same method applies to earlier years when there were fewer observations. For example, in 2002, there were 69 observed indicators, so each one was given a weight of 1.45 percent in the 2002 Index score ($100 / 69 = 1.45 \text{ percent}$).

The Index is calculated as follows: The annual value of every indicator is converted into an “index score” by dividing by its 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 81 indicators were available and because when the project began, it was recent enough to relate the statistical findings of the Index to current events.

The indicator index scores ranged from a low of 0.478 to a high of 178. With the exception of three index scores (Foundation arts and culture funding, concert industry ticket sales, and Mei-Moses Art index), all other index scores (out of 1,166) 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:

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

N_Y = the National Art Index for a given year, $y = 1998, \dots, 2012$

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

I is the largest number of indicators available for a year. For 2003-2012, $I = 81$.

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, $y = 2001, \dots, 2012$

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

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. In other research projects, we do concentrate more on one or another subsector within the arts. But for the Index, 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 is just one “meta” or comprehensive view. It need not be the only perspective on the data. Other researchers or analysts might want to devise their own “views” of the data with their own weighting schemes. To facilitate such a task, the actual data are in the one-page reports in chapters 3 through 6, and the calculated index scores appear in Appendix E.

RELATING THIS REPORT TO PRIOR NAI REPORTS

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

This report shows small differences in the reported 2009 through 2011 National Arts Index scores when compared to prior year reports. There are two main reasons for these differences.

1. Change in the number of indicators. Since the beginning, we added new indicators, using their historic data from 1996 to the present; they naturally had the potential to either increase or decrease the overall National Arts Index score. We also retired indicators when it became clear that future data would not be available.
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
 - Business capital: benchmark revisions by BEA, adding new categories
 - Degrees and Share of Degrees: recalculation of Associates degrees
 - Foundation and Foundation share – change in 2011 figure
 - Exports and Trade Share: Revision of UNCTAD data
 - New Work: revision of movie and theatre data
 - Private giving and share of private giving—revised by Giving USA
 - Arts personal consumption and personal consumption share: benchmark revisions

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 81 indicators were available:

- Financial flows: 1.47 percent, because $0.25 / 17 = 0.147$
- Capacity: 1.67 percent
- Arts participation: 1.14 percent
- Competitiveness: 0.93 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 every year.

Table 11 shows National Arts Index scores for the years 2001-2012, 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

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
National Arts Index	100.4	99.5	100.0	100.7	101.3	102.3	102.9	100.1	97.8	97.9	96.4	97.7
Median Indicator	99.6	99.5	100.0	101.5	100.7	99.6	100.7	96.3	95.3	95.2	95.9	94.4
ACBS	100.6	99.5	100.0	100.9	101.6	102.7	103.5	101.0	98.7	98.6	97.4	98.8
Number of Indicators	55	65	81	81	81	81	81	81	81	81	81	81

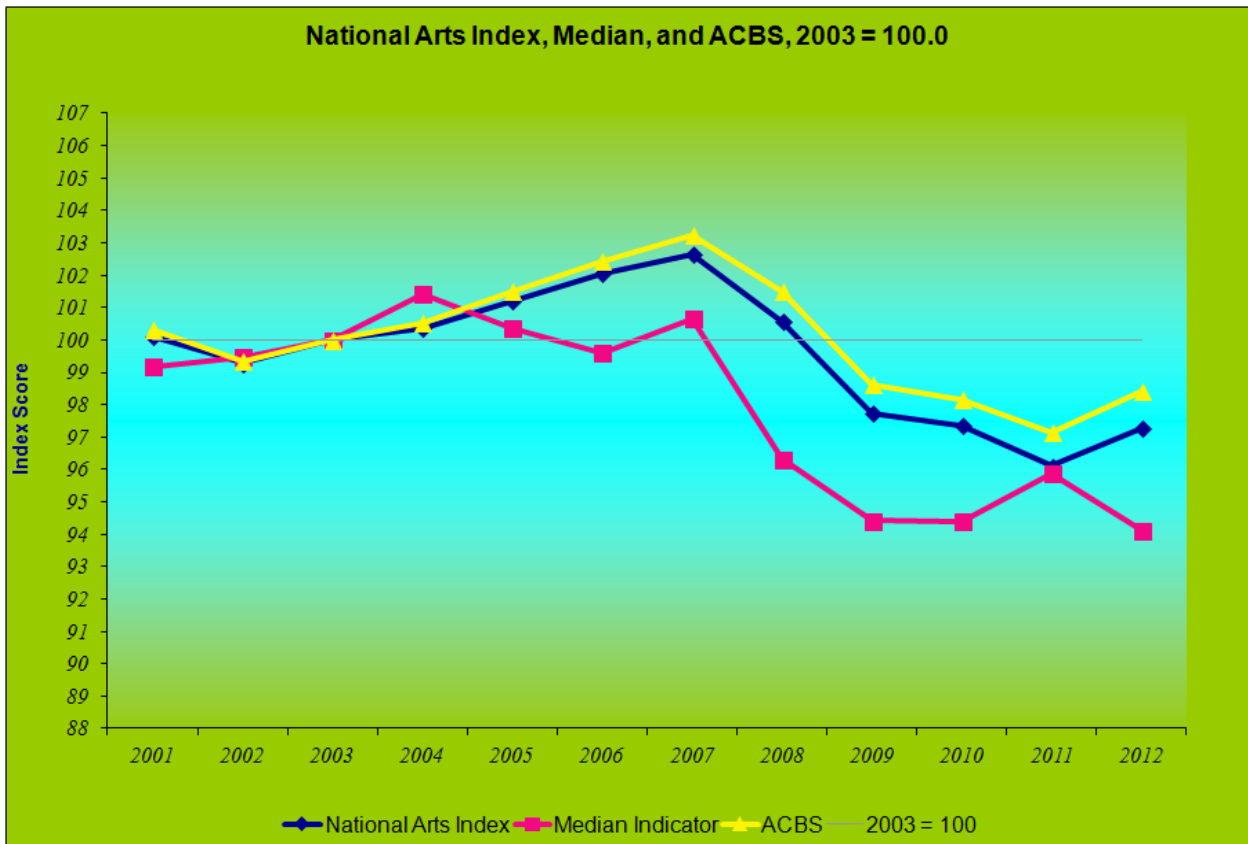


FIGURE H. NATIONAL ARTS INDEX, MEDIAN INDICATOR, AND ARTS AND CULTURE BALANCED SCORECARD INDEX SCORES

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 and evolving knowledge of the arts and culture world in the U.S. from 1999 to the present.

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

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

Weaknesses of our approach include the following considerations:

- Many raw data series are based on surveys that are subject to biases, 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 do not have the same respondents in successive years.
- There are lags between when the activity occurred and when the data are released. The lags are predictable, but persistent, and can be as long as two years.

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

OTHER METHODOLOGICAL NOTES

For those interested in a deeper examination of how the Index was constructed, here is additional information on calculated and original / raw data indicators, adjusting for inflation, adjusting for population, 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/cpi.txt>. The original base period (i.e., when the CPI was 100) is 1983, but price levels have more than doubled since then. To put this into a scale that is more easily related to recent price changes, the one-page reports use CPI set to 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, 2001 – 2012

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
CPI, 1982-1984 = 100	177.10	179.90	184.00	188.90	195.30	201.60	207.34	215.30	214.54	218.06	224.94	229.59
CPI, 2008 = 100	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100	99.6	101.3	104.5	106.6

Thus, the “constant dollar” figures reported are essentially in 2008 dollars. Note that the cumulative effect of inflation from 2001 to 2012 was 29.6 percent, calculated as $(106.6/82.3) - 1 = 0.296$. 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, decennial 2010 Census, and Census Bureau estimates for July 1, 2011 and 2012.

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

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

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
2000	0.477	0.361	0.491	0.411	0.272	0.178	0.140	0.408	0.202	0.178	0.097	0.195
2001		0.344	0.477	0.446	0.308	0.208	0.164	0.432	0.197	0.174	0.096	0.190
2002			0.203	0.171	0.098	0.056	<u>0.049</u>	0.282	0.244	0.213	0.110	0.233
2003				0.311	0.160	0.087	0.075	0.389	0.138	0.123	0.057	0.152
2004					0.279	0.161	0.126	0.463	0.116	0.104	<u>0.048</u>	0.130
2005						0.335	0.257	0.394	0.074	0.067	<u>0.031</u>	0.088
2006							0.398	0.283	<u>0.046</u>	<u>0.043</u>	<u>0.020</u>	0.059
2007								0.226	<u>0.038</u>	<u>0.035</u>	<u>0.016</u>	<u>0.048</u>
2008									0.165	0.147	0.081	0.162
2009										0.451	0.304	0.443
2010											0.353	0.488
2011												0.488

The cluster of boldfaced and underlined probabilities on the right-hand side are evidence that the 2009 through 2012 Index scores are significantly less than the most recent Index peak in 2005 through 2007. Generally, these *t*-test results suggest that a difference of three Index points is significant at the five percent level for comparisons of two years where all 81 indicators are used (as is the case comparing 2004 and 2011).

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

- Data on visitation to public libraries for various purposes.
- Share of the global art auction market sold in U.S. auction houses. This has been around 40 percent in recent years.
- A price index of sales of art in U.S. auction houses. This index has fluctuated very widely in recent years.
- The share of the Library of Congress collection devoted to works of fine arts and music. This grew slowly from 19.5 million to 23.1 million items from 1999 to 2006, totaling about 6.8 to 7.0 percent of the entire collection.
- The U.S. share of attendance at the 30 largest art exhibitions held in art museums around the world.
- 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 from 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 the indicators into dimensions, we used the ACBS model and our own sense of what constituted financial flows, capacity, arts participation, and arts competitiveness.

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

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

Additional years' data: As the project began, we set 1996 as the first year for which we would seek observations. Ultimately, 27 indicators had measurements for 1996, and two more also had 1997 data. Under a rule of thumb that we would not focus on any year with too few indicators, we only present detailed data for 2001 through 2012.

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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

Indicator Scores, 2001-2012	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
1. Songwriter and composer performing rights royalties			1.00	1.06	1.10	1.14	1.20	1.26	1.30	1.27	1.22	1.16
2. Worker earnings in artistic occupations	0.97	0.84	1.00	0.91	0.93	0.95	0.97	0.93	1.01	1.01	1.01	1.00
3. Payroll in arts and culture industries	1.03	0.99	1.00	0.98	1.02	1.06	1.06	1.03	0.96	0.92	0.89	0.94
4. Publishing industry revenue		0.96	1.00	0.96	0.98	0.95	0.95	0.89	0.88	1.01	0.95	0.93
5. Bookseller sales	0.97	0.97	1.00	1.01	0.99	0.96	0.94	0.89	0.84	0.80	0.77	0.66
6. Musical instrument sales	1.02	1.02	1.00	1.02	1.05	0.98	0.96	0.87	0.73	0.77	0.78	0.77
7. Recording industry shipment value	1.20	1.09	1.00	1.01	0.98	0.91	0.78	0.63	0.56	0.50	0.48	0.48
8. Total album sales			1.00	1.02	0.94	0.90	0.76	0.65	0.57	0.50	0.50	0.48
9. Concert industry ticket sales	0.73	0.86	1.00	1.09	1.17	1.31	1.38	1.44	1.58	1.43	1.42	1.51
10. Constant dollar value of US exports of creative goods		0.97	1.00	1.08	1.12	1.14	1.07	1.10	0.94	1.06	1.13	1.10
11. Revenue of arts and culture nonprofits	1.05	1.02	1.00	1.09	1.10	1.20	1.28	1.25	1.15	1.19	1.10	1.22
12. Foundation arts and culture funding	1.19	1.11	1.00	1.08	1.08	1.19	1.14	1.51	1.12	1.07	1.04	0.97
13. Private giving to arts and culture	0.91	0.92	1.00	0.95	1.06	1.14	1.18	0.94	0.93	0.96	0.97	1.04
14. United arts fundraising campaigns		1.00	1.00	1.00	0.97	1.01	1.02	1.00	0.89	0.85	0.82	0.81
15. Federal government arts and culture funding		0.98	1.00	1.04	1.04	1.00	0.99	1.01	1.05	0.99	0.94	0.93
16. State arts agency legislative appropriations	1.32	1.18	1.00	0.77	0.81	0.84	0.87	0.85	0.80	0.70	0.63	0.59
17. Local government funding of local arts agencies	1.00	1.01	1.00	0.95	0.98	0.93	1.16	1.19	1.17	1.11	1.05	1.12
18. Artists in the workforce	1.01	0.99	1.00	1.01	1.02	1.01	1.08	1.06	1.05	1.04	1.02	1.03
19. Workers in arts and culture occupations	0.98	0.97	1.00	1.09	1.09	1.11	1.15	1.16	1.17	1.10	1.09	1.10
20. Employees in arts and culture industries	1.03	1.00	1.00	1.00	1.02	1.04	1.03	1.02	0.95	0.88	0.87	0.82
21. "Creative Industries" employment			1.00	1.01	1.02	0.93	1.01	0.94	1.00	1.00	0.99	0.99
22. Arts union membership	1.00	1.00	1.00	1.00	1.04	1.09	1.23	1.27	1.26	1.28	1.27	1.29
23. CD and record stores			1.00	1.00	0.91	0.87	0.79	0.70	0.62	0.59	0.56	0.52
24. Independent artists, writers, and performers	0.92	0.97	1.00	1.04	1.12	1.13	1.19	1.19	1.21	1.24	1.28	1.31
25. Movie screens	1.00	1.00	1.00	1.02	1.06	1.08	1.09	1.09	1.10	1.11	1.11	1.12
26. Establishments in arts and culture industries	0.98	1.00	1.00	1.02	1.02	1.04	1.05	1.01	0.98	0.94	0.92	0.91
27. "Creative Industries" establishments			1.00	1.02	1.00	0.98	1.00	0.98	0.94	0.97	0.99	1.08
28. Registered arts and culture 501(c)(3) organizations	0.91	0.96	1.00	1.04	1.08	1.13	1.18	1.22	1.28	1.30	1.10	1.04
29. Arts support organizations	0.94	0.98	1.00	1.04	1.05	1.07	1.05	1.06	1.09	1.04	1.03	1.05
30. Capital investment in arts and culture industries	0.96	0.99	1.00	1.07	1.11	1.14	1.17	1.19	1.21	1.23	1.18	1.16
31. Capital investment in nonprofit arts organizations	0.96	1.01	1.00	1.05	1.10	1.15	1.31	1.45	1.35	1.40	1.38	1.58
32. Arts and culture capital assets	0.90	0.95	1.00	1.04	1.10	1.17	1.21	1.24	1.25	1.28	1.30	1.35

Indicator Scores, 2001-2012	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
33. Copyright applications	0.97	0.87	1.00	1.01	0.99	0.98	0.89	0.92	0.88	0.86	0.89	0.90
34. Personal expenditures on arts and culture	0.99	1.01	1.00	1.01	1.01	0.99	0.96	0.92	0.89	0.89	0.89	0.89
35. Arts engagement			1.00	1.11	0.96	0.93	0.96	0.88	0.82	0.86	0.86	0.85
36. New work in theatre, orchestra, opera, Broadway, and film			1.00	0.97	0.88	1.01	1.00	1.07	1.00	1.01	1.02	1.24
37. Books published on music, theatre, dance, or art	0.68	1.00	1.00	0.90	0.86	0.70	0.69	0.74	0.73	1.17	1.43	1.33
38. Volunteering for arts organizations		0.91	1.00	0.93	0.88	0.94	0.93	0.93	0.98	0.91	1.00	1.05
39. Arts work in volunteering			1.00	1.02	0.95	0.91	0.83	0.84	0.84	0.78	0.79	0.71
40. Performance of SAT test takers with four years of art or music	0.77	0.90	1.00	1.04	1.07	1.11	1.06	0.95	0.94	1.02	0.92	0.94
41. Arts majors by college bound seniors	1.03	1.03	1.00	0.94	0.95	1.03	1.05	1.01	0.96	1.09	1.14	1.19
42. Visual and performing arts degrees	0.85	0.93	1.00	1.07	1.09	1.11	1.12	1.13	1.19	1.19	1.24	1.27
43. Non-commercial radio listenership	0.93	0.96	1.00	0.97	0.93	0.99	0.99	1.04	1.05	1.08	1.07	1.07
44. Public television viewing	1.09	1.02	1.00	0.98	0.97	0.91	0.83	0.74	0.73	0.75	0.72	0.73
45. Foreign visitor participation in arts and culture leisure activity	1.04	0.98	1.00	1.05	1.08	1.11	1.10	1.20	1.23	1.27	1.26	1.35
46. Attendance at Broadway shows in New York	1.04	0.96	1.00	1.02	1.01	1.05	1.08	1.07	1.07	1.04	1.10	1.08
47. Attendance at touring Broadway shows	0.89	0.94	1.00	1.04	1.47	1.38	1.35	1.23	1.15	1.28	1.06	1.02
48. Attendance at live popular music			1.00	1.04	1.07	1.02	1.02	1.00	1.04	0.97	1.12	1.21
49. Attendance at symphony, dance, opera, and theatre			1.00	0.99	0.98	0.95	0.93	0.89	0.90	0.87	0.90	0.87
50. Motion picture attendance	0.95	1.03	1.00	0.98	0.90	0.92	0.92	0.88	0.93	0.88	0.84	0.89
51. Art museum visits			1.00	0.98	1.00	0.95	0.93	0.93	0.92	0.94	0.92	0.94
52. Opera attendance	1.23	1.02	1.00	1.09	1.05	1.09	1.14	0.98	0.93	0.86	0.73	0.80
53. Symphony attendance	1.13	1.09	1.00	1.00	0.95	1.05	1.04	1.03	0.92	0.94	0.96	0.92
54. Nonprofit professional theatre attendance		0.94	1.00	0.94	0.95	0.89	0.90	0.93	0.87	0.90	0.99	1.07
55. Arts and culture share of private giving	1.08	1.02	1.00	0.99	0.85	0.93	0.97	0.89	0.97	0.95	0.97	1.00
56. Share of metropolitan households contributing to arts and culture			1.00	1.01	1.01	1.02	1.05	1.04	1.02	1.00	0.98	0.93
57. Arts and culture share of personal expenditures	1.04	1.04	1.00	0.97	0.94	0.91	0.87	0.84	0.82	0.80	0.78	0.77
58. Arts share of GDP (lagged)	0.96	0.98	1.00	0.97	0.98	0.97	0.96	0.93	0.95	0.88	0.88	0.88
59. Visual and performing arts share of all degrees	0.93	0.98	1.00	1.02	1.01	0.99	0.97	0.96	0.93	0.93	0.91	0.89
60. Share of employees in arts and culture industries	1.01	1.01	1.00	0.99	0.99	0.98	0.96	0.96	0.90	0.90	0.87	0.81
61. Share of workers in arts and culture occupations	0.98	0.97	1.00	1.08	1.07	1.06	1.09	1.09	1.15	1.10	1.09	1.08
62. Share of payroll in arts and culture industries	1.00	1.00	1.00	0.96	0.98	0.98	0.96	0.95	0.90	0.89	0.85	0.88
63. Share of SAT I test takers with four years of art or music	0.94	0.98	1.00	1.07	1.11	1.18	1.16	1.19	1.27	1.19	1.11	1.10
64. Share of establishments in arts and culture industries	1.00	1.01	1.00	1.00	0.98	1.00	0.99	0.96	0.92	0.93	0.90	0.89

Indicator Scores, 2001-2012	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
65. Arts and culture share of foundation funding	0.98	0.98	1.00	1.02	1.00	0.97	0.85	1.00	0.84	0.89	0.74	0.77
66. Arts share of corporate giving			1.00	0.86	0.97	1.21	1.14	0.94	0.91	0.77	0.76	0.81
67. Federal government arts and culture funding per capita		0.99	1.00	1.03	1.02	0.97	0.95	0.96	1.00	0.93	0.88	0.86
68. Arts and culture share of federal domestic discretionary spending		1.04	1.00	1.02	0.97	0.93	0.94	0.95	0.89	0.75	0.75	0.79
69. State arts agency funding per capita	1.34	1.19	1.00	0.76	0.79	0.82	0.84	0.81	0.75	0.65	0.59	0.55
70. State arts agency share of state general fund expenditures	1.27	1.15	1.00	0.77	0.78	0.78	0.76	0.76	0.71	0.64	0.60	0.56
71. Population share attending Broadway shows in New York or on tour	0.90	0.95	1.00	1.03	1.44	1.34	1.30	1.18	1.09	1.20	0.98	0.94
72. Population share attending live popular music			1.00	1.03	1.03	0.98	0.96	0.94	0.96	0.89	1.02	1.09
73. Population share attending symphony, dance, opera, and theatre			1.00	0.98	0.95	0.91	0.88	0.83	0.83	0.80	0.81	0.78
74. Population share visiting art museums			1.00	0.97	0.97	0.91	0.88	0.87	0.85	0.86	0.84	0.85
75. Population share attending opera	1.26	1.03	1.00	1.08	1.03	1.06	1.09	0.93	0.88	0.81	0.68	0.74
76. Population share attending symphony	1.16	1.10	1.00	0.99	0.93	1.02	1.01	0.99	0.87	0.88	0.90	0.85
77. Population share attending nonprofit professional theatre		0.95	1.00	0.93	0.93	0.86	0.87	0.89	0.83	0.85	0.92	0.99
78. Year end value of the Mei Moses® All Art index	0.89	0.90	1.00	1.14	1.29	1.53	1.77	1.68	1.35	1.58	1.78	1.78
79. US share of world creative goods trade		1.07	1.00	0.96	0.93	0.91	0.78	0.75	0.72	0.74	0.70	0.72
80. Return on assets of arts businesses	0.69	0.84	1.00	1.09	0.95	0.77	1.06	0.81	1.09	0.98	1.01	1.12
81. Share of nonprofit arts organizations with end-of-year surplus	1.08	1.01	1.00	1.03	1.05	1.09	1.10	1.02	0.94	0.98	0.96	0.96
Retired indicators 2001-2010/11	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Corporate arts and culture funding	1.234	1.155	1.000	0.928	1.060	1.141	1.132	0.889	0.744	0.586		
Personal arts creativity experiences			1.000	1.030	1.025	1.074	1.128	1.106	1.076	1.081		
Museum visits	0.976	0.902	1.000	0.984	1.161	1.105	1.037	1.048	1.042	1.012		
Citations of arts and culture in bibliographic databases	1.074	1.017	1.000	0.958	0.852	0.937	1.027	1.024	0.877	0.840		
Population share engaged in personal creativity activities		1.049	1.000	1.021	1.006	1.045	1.086	1.055	1.018	1.013		
Arts, culture, and humanities in the Philanthropic Giving Index	1.429	1.405	1.000	1.464	1.400	1.373	1.183	1.137	0.895			
Arts, culture, and humanities in the Philanthropic Giving Index	1.429	1.405	1.000	1.464	1.400	1.373	1.183	1.137	0.895			

APPENDIX E: INDICATOR DATA SOURCES

Indicator	Source / Link
1. Songwriter and composer performing rights royalties	ASCAP and BMI, retrieved from 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 with assistance from AAP staff
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, <i>NAMM Global Report Featuring Music USA</i> annual report, retrieved from http://www.namm.org/library/music-usa with assistance from NAMM staff
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 <i>Pollstar</i>
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, <i>2011 Corporate Contributions Report</i>
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, <i>Giving USA</i> annual publication
14. United arts fundraising campaigns	Americans for the Arts, collected for the United States Urban Arts Federation
15. Federal government arts and culture funding	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 <i>Legislative Appropriations Annual Survey</i>
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, <i>Theatrical Market Statistics</i> , retrieved from http://www.mpa.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
32. Artistic assets in the national income accounts	Bureau of Economic Analysis, retrieved from http://www.bea.gov/national/FA2004/Details/xls/detailnonres_stk1.xls

Indicator	Source / Link
33. Copyright applications	Copyright Office, Library of Congress, retrieved from reports at http://www.copyright.gov/reports/ , additional figures provided by Copyright Office staff.
34. Personal expenditures on arts and culture	Bureau of Economic Analysis, National Income and Products Accounts Table, retrieved from http://bea.gov/iTable/iTable.cfm?ReqID=9&step=1#reqid=9&step=1&isuri=1
Retired. Personal arts creativity experiences	Bureau of the Census, <i>Statistical Abstract of the United States</i> , http://www.census.gov/compendia/statab/
35. Engagement in the arts	Bureau of Labor Statistics, retrieved from http://www.bls.gov/tus/#tables
36. New work in theatre, orchestra, opera, Broadway, and film	Compiled from data from Broadway League, League of American Orchestras, Motion Picture Association of America, Opera America, and Theatre Communications Group
37. Books published on music, theatre, dance, or art	Books in Print database accessed at Muhlenberg College, Allentown, PA
38. Volunteering for the arts	Bureau of the Census, Current Population Survey, retrieved via Data Ferret at http://dataferrett.census.gov/
39. Arts work in volunteering	Bureau of the Census, Current Population Survey, retrieved via Data Ferret at http://dataferrett.census.gov/
40. 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
41. Arts majors by college bound seniors	College Board, College-Bound Seniors, retrieved from http://professionals.collegeboard.com/data-reports-research/sat/archived
42. Visual and performing arts degrees	National Center for Education Statistics retrieved from http://nces.ed.gov/ipeds/datacenter/login.aspx
43. Non-commercial radio listenership	Arbitron Nationwide Spring Quarter M-Su 6a-Mid 12+ CPB-Station Cume Rating, compiled by Radio Research Consortium, data copyright Arbitron. Recent data from "Public Radio Today" annual report available at http://www.arbitron.com/study/publicrt.asp
44. Public television viewing	Data provided to Americans for the Arts by Public Broadcasting System
45. Foreign visitor participation in arts and culture leisure activity	Data provided to Americans for the Arts by Department of Commerce, International Trade Administration
46. Attendance at Broadway shows in New York	Broadway League, Broadway Season Statistics, retrieved from http://www.broadwayleague.com/index.php?url_identifier=research-and-information-1
47. Attendance at touring Broadway shows	Broadway League, Broadway Season Statistics, retrieved from http://www.broadwayleague.com/index.php?url_identifier=research-and-information-1
48. Attendance at live popular music	Data purchased by Americans for the Arts from Scarborough Research, www.scarborough.com
49. Attendance at symphony, dance, opera, and theatre	Data purchased by Americans for the Arts from Scarborough Research, www.scarborough.com
50. Motion picture attendance	National Association of Theater Owners, retrieved from http://www.natonline.org/statisticsadmissions.htm
51. 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
52. Opera attendance	Data provided to Americans for the Arts by Opera America
53. Symphony attendance	Data provided to Americans for the Arts by League of American Orchestras
54. Nonprofit professional theatre attendance	Theatre Communications Group Theatre Facts annual report, retrieved from 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, <i>Statistical Abstract of the United States</i> , http://www.census.gov/compendia/statab/
55. Arts and culture share of private giving	Giving USA Foundation, <i>Giving USA</i> annual publication
56. Visual and performing arts share of all degrees	National Center for Education Statistics retrieved from http://nces.ed.gov/ipeds/datacenter/login.aspx
57. 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
58. Arts share of GDP	Arts and Cultural Production Satellite Account (ACPSA), U.S. Bureau of Economic Analysis, retrieved from http://arts.gov/news/2013/us-bureau-economic-analysis-and-national-endowment-arts-release-preliminary-report-impact
59. Visual and performing arts share of all degrees	National Center for Education Statistics retrieved from http://nces.ed.gov/ipeds/datacenter/login.aspx
60. Share of employees in arts and culture industries	Bureau of the Census, County Business Patterns, retrieved from http://www.census.gov/econ/cbp/
61. 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
62. Share of payroll in arts and culture industries	Bureau of the Census, County Business Patterns, retrieved from http://www.census.gov/econ/cbp/
63. 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
64. Share of establishments in arts and culture industries	Bureau of the Census, County Business Patterns, retrieved from http://www.census.gov/econ/cbp/

Indicator	Source / Link
65. 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, <i>2011 Corporate Contributions Report</i>
66. Arts and culture share of corporate funding (CECP)	Committee Encouraging Corporate Philanthropy <i>Giving in Numbers</i> , retrieved from http://www.corporatephilanthropy.org/research/benchmarking-reports/giving-in-numbers.html
67. Federal government arts and culture funding per capita	Congressional Research Service <i>Arts and Humanities: Background on Funding</i> , 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
68. Arts and culture share of federal domestic discretionary spending	Congressional Research Service <i>Arts and Humanities: Background on Funding</i> , 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
69. State arts agency funding per capita	National Assembly of State Arts Agencies <i>Legislative Appropriations Annual Survey</i>
70. State arts agency share of state general fund expenditures	National Assembly of State Arts Agencies <i>Legislative Appropriations Annual Survey</i>
71. 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
72. Population share attending live popular music	Data purchased by Americans for the Arts from Scarborough Research, www.scarborough.com
73. Population share attending symphony, dance, opera, and theatre	Data purchased by Americans for the Arts from Scarborough Research, www.scarborough.com
74. Population share visiting art museums	Data purchased by Americans for the Arts from Scarborough Research, www.scarborough.com
75. Population share attending opera	Data provided to Americans for the Arts by Opera America, supplementary research
76. Population share attending symphony	Data provided to Americans for the Arts by League of American Orchestras
77. Population share attending nonprofit professional theatre	Theatre Communications Group Theatre Facts annual report, retrieved from http://www.tcg.org/tools/facts/
78. Year end value of the Mei Moses® All Art index	Data provided by Beautiful Asset Advisors® LLC, http://www.artasanasset.com
79. 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
80. Return on assets of arts businesses	Robert Morris Associates <i>Annual Statement Studies</i> annual publication
81. Share of nonprofit arts organizations with end-of-year surplus	Data provided to Americans for the Arts by National Center for Charitable Statistics at the Urban Institute

APPENDIX F: RETIRED INDICATORS

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

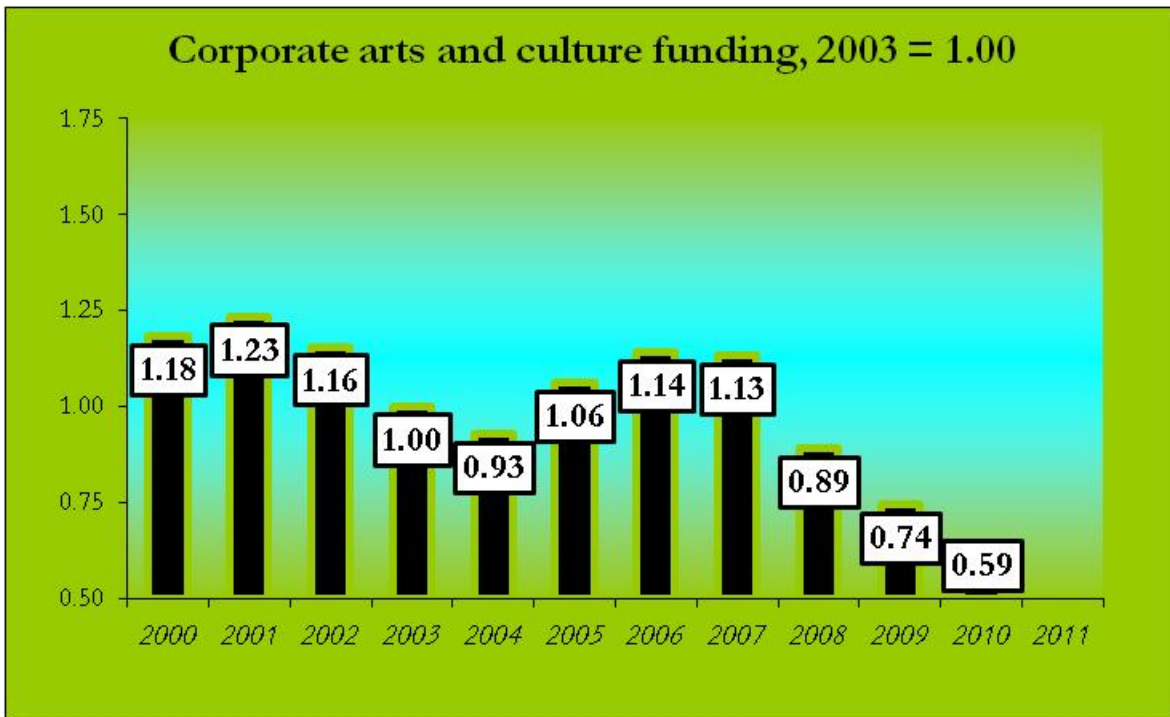
Indicator	Producer	ACBS Dimension	Why retired?	2012 indicator number / page
Corporate arts and culture funding	Conference Board	Financial Flows	Report merged into Committee for Effective Corporate Philanthropy “By the Numbers”	12 / 31
Personal arts creativity experiences	Bureau of the Census	Arts Participation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

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

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

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

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

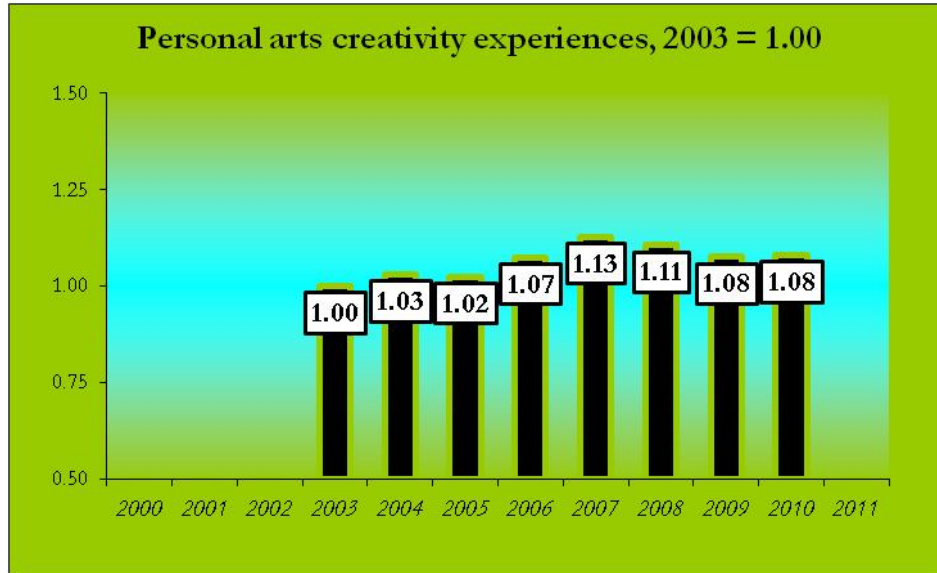


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total corporate giving to the arts (\$000)	346,527	372,394	354,092	313,465	298,647	352,841	391,911	400,009	326,190	272,015	217,840
CPI at 2008 = 100.0	80.0	82.3	83.6	85.5	87.7	90.7	93.6	96.3	100.0	99.6	101.3
Constant dollar corporate support of the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

PERSONAL ARTS CREATIVITY EXPERIENCES (INDICATOR DATA ENDED IN 2010)

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

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

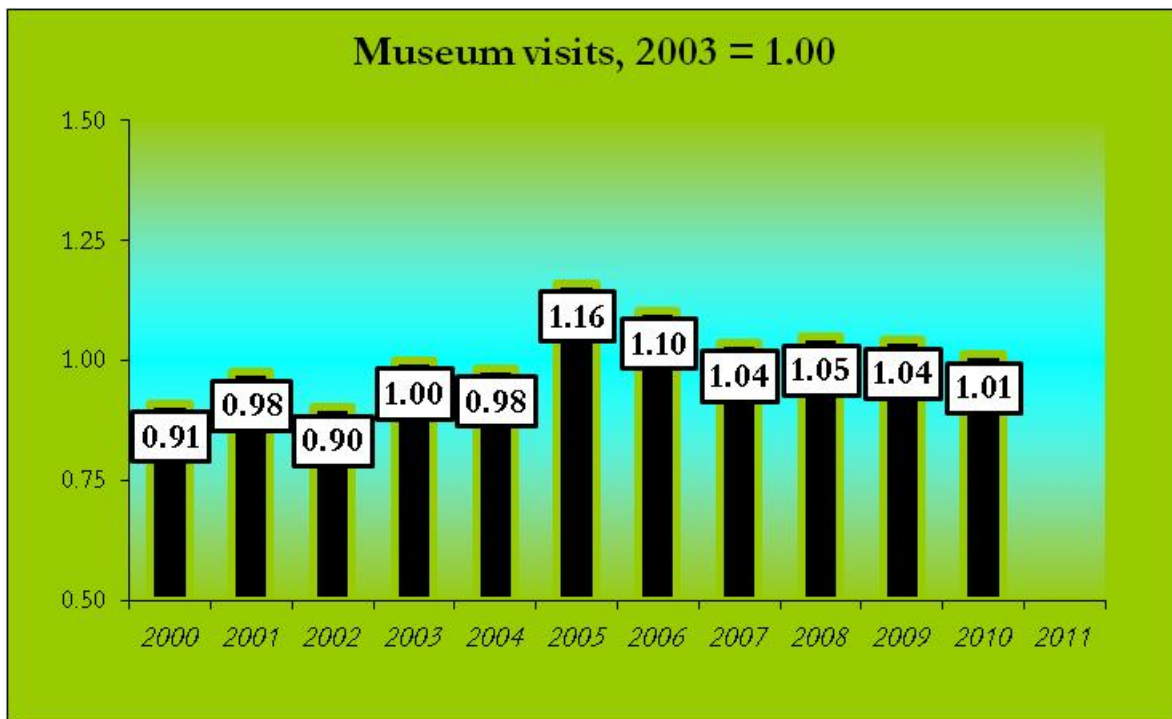


	2000-2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Painting, drawing (000)		15,145	14,089	14,020	13,746	12,356	15,146	14,425	13,681	13,791
Photography (000)		24,973	23,794	24,645	25,561	28,504	28,340	28,445	26,268	26,173
Play musical instrument (000)		15,744	15,828	16,680	15,727	16,852	17,108	16,526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

MUSEUM VISITS (INDICATOR DATA ENDED IN 2010)

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

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

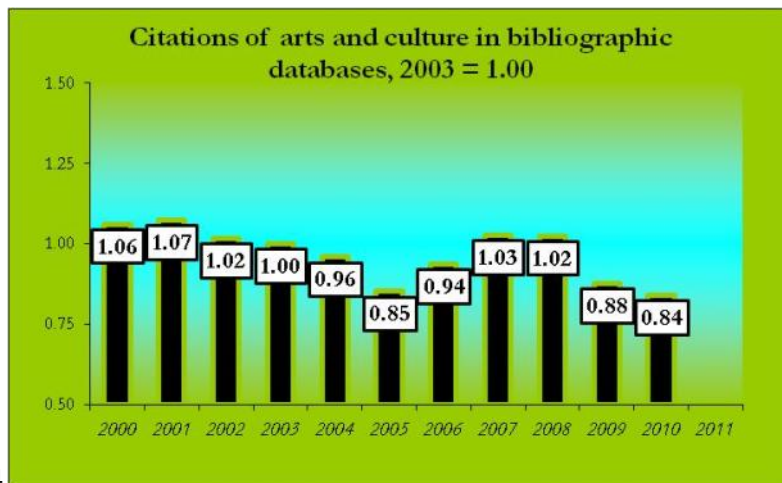


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Median attendance at museums	76,500	81,905	75,731	83,953	82,617	97,509	92,761	87,063	88,022	87,500	85,000
Indexed to 2003 = 1.00	0.91	0.98	0.90	1.00	0.98	1.16	1.10	1.04	1.05	1.04	1.01

CITATIONS (INDICATOR DATA ENDED IN 2010)

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

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



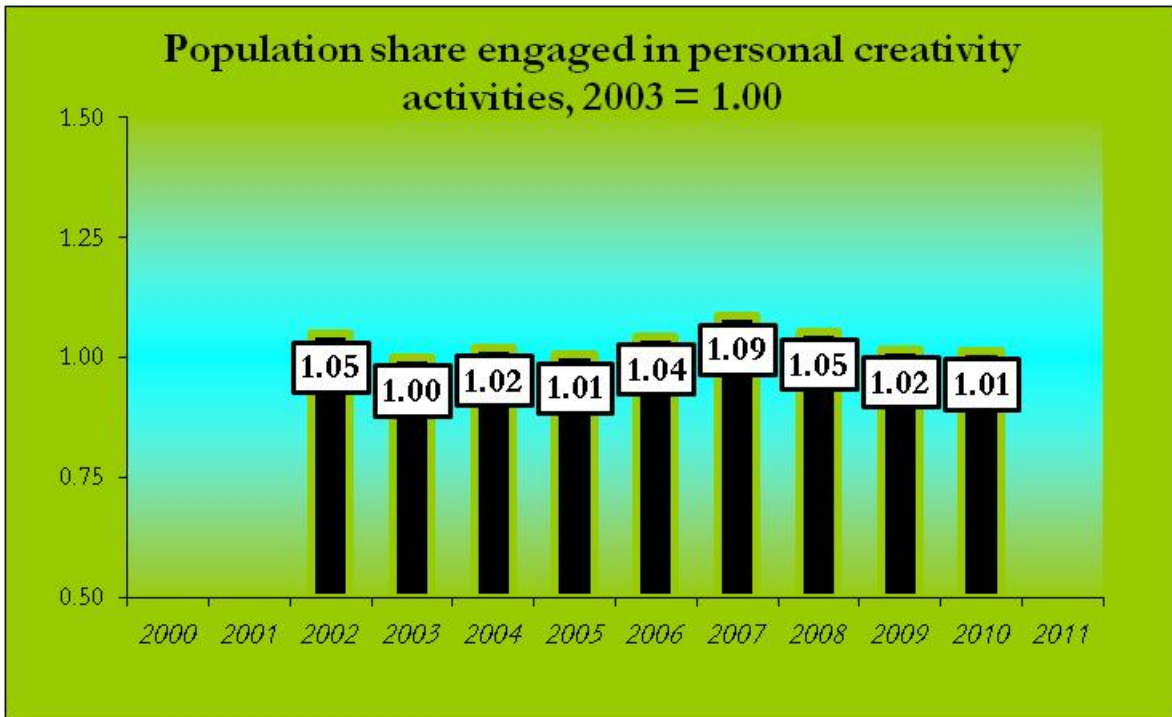
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	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total Articles	2,983,814	2,970,350	3,427,276	3,749,084	4,381,915	5,394,257	6,184,418	6,215,636	4,217,547	6,785,201	7,933,431
Keywords:											
Musician	24,553	24,431	24,962	26,057	28,258	30,163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

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

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

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

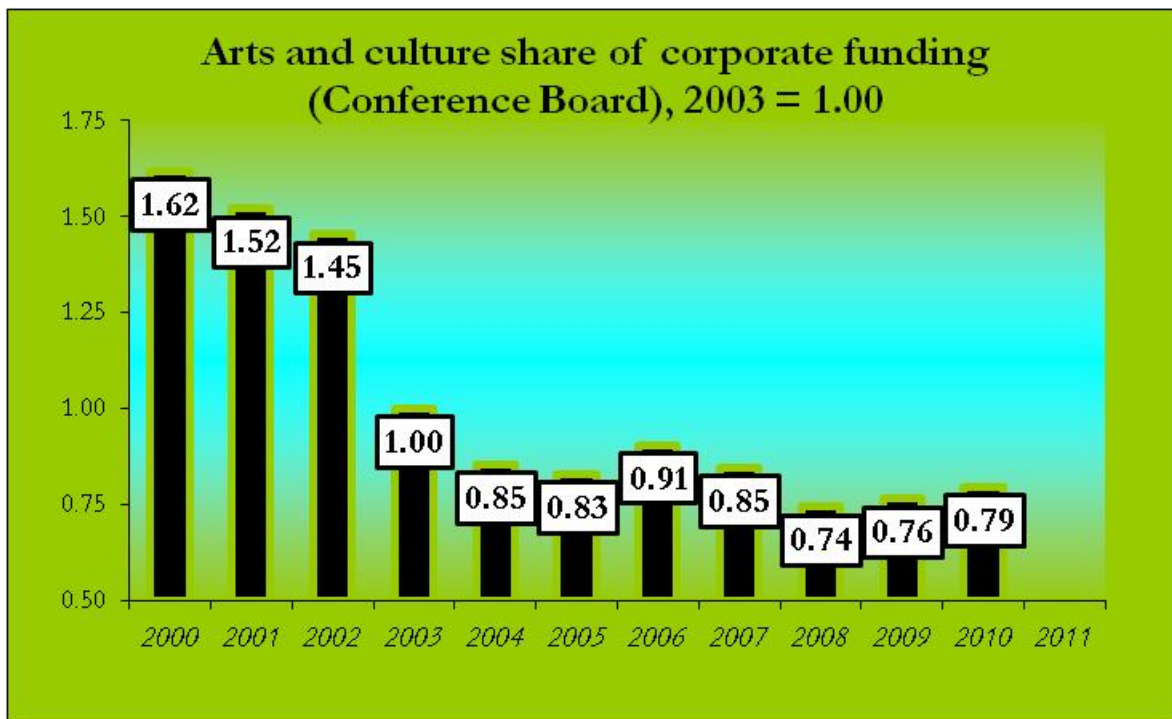


(All figures in 000)	2000-2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total participation in music making, painting, drawing, and/or photography		55,862	53,711	55,345	55,034	57,712	60,594	59,396	57,812	58,042
U.S. population (000)		287,804	290,326	293,046	295,753	298,363	301,580	304,375	307,007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

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

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

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

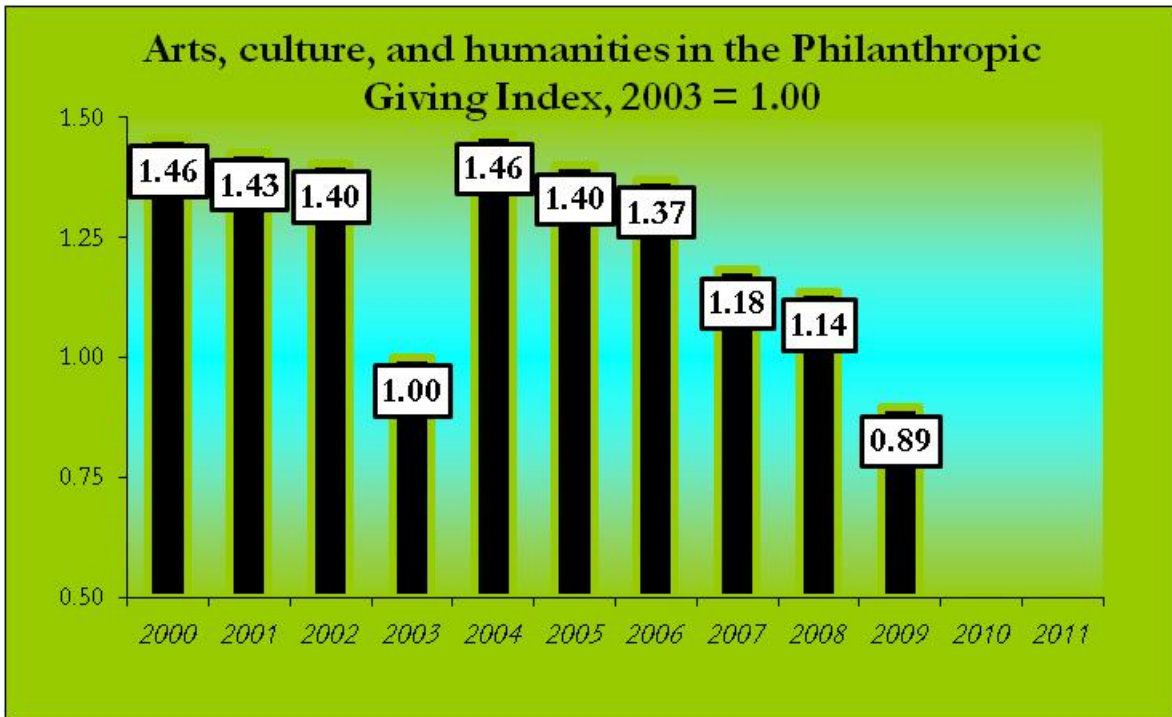


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total corporate philanthropy (\$M)	3,913	4,473	4,451	5,727	6,392	7,783	7,912	8,641	8,008	6,508	5,007
Total corporate giving to the arts (\$000)	346,527	372,394	354,092	313,465	298,647	352,841	391,911	400,009	326,190	272,015	217,840
Percent of corporate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

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

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

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



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

ABOUT THE AUTHORS

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

Randy Cohen is Vice President of Research and Policy at Americans for the Arts, the nation's advocacy organization for the arts. A member of the staff since 1991, Randy stands out as one of the most noted experts in the field of arts funding, research, policy, and using the arts to address community development issues. He publishes The National Arts Index, the annual measure of the health and vitality of arts in the U.S. as well as the two premier economic studies of the arts industry—Arts & Economic Prosperity, the national impact study of nonprofit arts organizations and their audiences; and Creative Industries, an annual mapping study of the nation's 750,000 arts establishments and their employees. Randy led the development of the National Arts Policy Roundtable, an annual convening of leaders who focus on the advancement of American culture, launched in 2006 in partnership with Robert Redford and the Sundance Institute. A sought after speaker, Randy has given speeches in 49 states, and regularly appears in the news media—including the Wall Street Journal, The New York Times, and on C-SPAN, CNN, CNBC, and NPR. His board work includes the League of Historic American Theaters, and the Takoma Park Arts & Humanities Commission, a municipal agency which he chaired for three years.

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.



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