

INSIDE THIS ARTICLE

- ◆ Theatres contributed nearly \$1.9 billion to the economy in the form of salaries, benefits and payments for goods and services (p. 2).
- ◆ While a majority of theatres operated in the black from 2005 to 2007, more than half had a negative bottom line in 2008 and 2009 (pp. 3-4, Figure 3) and an increasing percentage of theatres experienced shortfalls greater than 20% of operating expenses over the past two years (pp. 4-5, Figure 4).
- ◆ The 5-year period ending 2009 finished in negative territory. Contributed income barely outpaced inflation but could not offset the erosion of earned income and the growth in expenses (pp. 3-4, Figures 1-2). 5-year earned income growth exclusive of investment income was 0.8% above inflation (p. 5; see page 34 for details on the inflation calculation).
- ◆ Average single ticket income was higher in 2009 than in 2005 after adjusting for inflation, although it supported less of the average theatre's total expenses over time (pp. 5-7, Tables 2 & 3).
- ◆ A 5-year view shows subscription income growth falling short of inflation by 8.5%. Total subscription packages sold and total subscriber attendance were at a 5-year low in 2009 (pp. 6 and 18, Tables 2 and 13). These trends resonated in the 10-year view (p. 19, Figures A & B).
- ◆ A 3% increase in the number of resident performances was met with a 3.1% decrease in attendance (p. 16, Tables 11 & 12), underscoring a slight decrease in the percentage of capacity filled for resident productions (p. 18, Table 13).
- ◆ On average, theatres experienced dramatic capital losses in 2008 and 2009; over time, however, capital campaigns left theatres with substantial growth in both fixed assets and investments (p. 6 and pp. 14-15, Tables 2, 9 & 10).
- ◆ Working capital was negative in each of the five years. It improved from 2005 to 2008 then dropped precipitously in 2009 (pp. 14-15, Tables 9 & 10).

WHAT IS CUNA?

CUNA, or the Change in Unrestricted Net Assets, includes operating income and expenses; unrestricted equipment and facility, board designated and endowment gifts; capital gains/losses; capital campaign expenses; and gifts released from temporary restrictions in the current year.

CUNA =

TOTAL UNRESTRICTED INCOME –
TOTAL UNRESTRICTED EXPENSES

A Report on Practices and Performance in the American Not-for-profit Theatre Based on the Annual TCG Fiscal Survey

By Zannie Giraud Voss and Glenn B. Voss, with Christopher Shuff and Ilana B. Rose

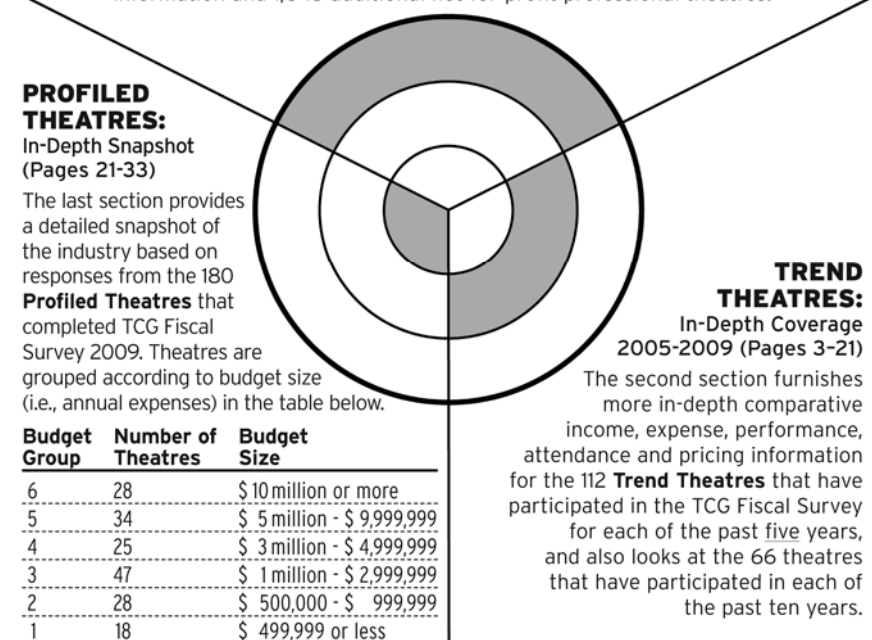
Theatre Facts uses responses to the annual Theatre Communications Group (TCG) Fiscal Survey to examine the field's attendance, performance and fiscal health. *Theatre Facts 2009* compiles information for the fiscal year that theatres completed during the period October 31, 2008, and September 30, 2009. Theatres' contributions to their communities and to the nation's artistic legacy go beyond the quantitative analyses that are captured in this report.

Theatre Facts 2009 is organized into three sections that offer different perspectives. The **Universe** section provides a broad overview of 1,825 not-for-profit professional theatres that filed Internal Revenue Service (IRS) Form 990 in 2009. This overview provides the most complete snapshot of the universe of not-for-profit professional theatres. The **Trend Theatres** section presents a longitudinal analysis of the 112 TCG theatres that responded to the TCG Fiscal Survey in each of the past 5 years. In addition, we offer a sub-section that highlights 10-year trends for 66 TCG theatres that have been survey participants each year since 2000. This section provides interesting insights regarding long-term trends experienced by a small sample of mostly larger theatres. The **Profiled Theatres** section provides a detailed examination of the 180 theatres that completed TCG Fiscal Survey 2009. This section provides the greatest level of detail, including breakout information for theatres in six different budget categories.

The report complies with the audit structure recommended by the Federal Accounting Standards Board (FASB). It examines unrestricted income and expenses, balance sheet, attendance, pricing and performance details. Unless otherwise noted, income is reported as a percentage of expenses because expenses serve as the basis for determining budget size.

UNIVERSE: The Big Picture (Page 2)

The **Universe** section provides the broadest snapshot of the industry for 2009. We examine the big picture with an overview of 1,825 theatres that filed IRS Form 990, including 180 TCG member theatres that provided fiscal, attendance and performance information and 1,645 additional not-for-profit professional theatres.



PROFILED THEATRES:

In-Depth Snapshot (Pages 21-33)

The last section provides a detailed snapshot of the industry based on responses from the 180 **Profiled Theatres** that completed TCG Fiscal Survey 2009. Theatres are grouped according to budget size (i.e., annual expenses) in the table below.

Budget Group	Number of Theatres	Budget Size
6	28	\$ 10 million or more
5	34	\$ 5 million - \$ 9,999,999
4	25	\$ 3 million - \$ 4,999,999
3	47	\$ 1 million - \$ 2,999,999
2	28	\$ 500,000 - \$ 999,999
1	18	\$ 499,999 or less

TREND THEATRES:

In-Depth Coverage 2005-2009 (Pages 3-21)

The second section furnishes more in-depth comparative income, expense, performance, attendance and pricing information for the 112 **Trend Theatres** that have participated in the TCG Fiscal Survey for each of the past five years, and also looks at the 66 theatres that have participated in each of the past ten years.



THE UNIVERSE

In 2009, not-for-profit theatres presented the creative work of 80,000 professional artists to 30 million audience members.

This conclusion is based on an extrapolation of data from 180 TCG member theatres to 1,645 additional theatres that completed IRS Form 990 and either are not members of TCG or are members who did not participate in TCG Fiscal Survey 2009. The IRS collects information for not-for-profit theatres, including theatres that do not respond to the TCG Fiscal Survey. We used total annual expenses—the only data reported by all theatres—to generate the Universe estimates presented in Table 1 for 1,825 theatres. We base this extrapolation on weighted averages for TCG member theatres of similar budget sizes. TCG member theatres tend to have higher total expenses than others, so weighting is necessary to provide realistic estimates of the activity, finances and workforce breakdown for the larger Universe.

It is important to keep in mind that the figures reported in the Universe table are estimates and do not represent data provided by 1,645 non-survey theatres themselves. To check the accuracy of the estimates, we compared total expenses reported by these theatres (the one item reported by all theatres) with a total expense figure based on our extrapolations. The two came within 1% of each other, suggesting that the extrapolated figures, while imperfect, are reasonably accurate estimates.

We estimate that in 2009, 1,825 Theatres in the U.S. Not-for-profit Professional Theatre Field:

- ◆ Contributed nearly \$1.9 billion to the U.S. economy in payments for goods, services and salaries. The real economic impact is far greater than \$1.9 billion because theatre-goers frequently dine at restaurants, pay for parking, hire babysitters, etc. Theatres' employees live in their communities, pay rent or buy homes, make regular purchases and contribute to the overall tax base.
- ◆ Engaged the majority of their employees in artistic pursuits. We estimate that the theatre work force (i.e., all paid full-time, part-time, jobbed-in or fee-based employees) is 63% artistic, 25% production and 12% administrative. It is worth noting that these percentages shift based on theatre size. For example, theatres with total expenses of \$500,000 or less (i.e., 70% of Universe Theatres) employ 69% of their workforce in artistic positions, 24% in production and 7% as administrators. Theatres with total expenses greater than \$500,000 employ 59% in artistic positions, 26% in production and 15% in administration.
- ◆ Received 46% of their income from earned sources and 54% from contributions. Theatres with total expenses of \$500,000 or less received 30% from earned sources and 70% from contributions whereas theatres with total expenses above \$500,000 received 48% from earned and 52% from contributed sources.
- ◆ Experienced a negative Change in Unrestricted Net Assets (CUNA), which encompasses changes in all unrestricted funds and includes Net Assets Released from Temporary Restriction (NARTR), equivalent to 6.0% of expenses. This estimate reflects the fact that larger theatres averaged negative CUNA in 2009, largely due to capital losses from endowments and other investments, as detailed in the sections that follow. By contrast, as indicated above, non-survey theatres are predominantly mid-sized or smaller, and theatres in this range tended to have marginally positive CUNA relative to expenses.

TABLE 1: ESTIMATED 2009 UNIVERSE OF U.S. NOT-FOR-PROFIT PROFESSIONAL THEATRES (1,825 Theatres)

Estimated Productivity		
Attendance		30,000,000
Subscribers		1,500,000
Performances		187,000
Productions		17,000
Estimated Finances		
Earnings	\$	810,800,000
Contributions	\$	968,500,000
Total Income	\$	1,779,300,000
Expenses	\$	1,892,000,000
Changes in Unrestricted Net Assets (CUNA)	\$	(112,700,000)
Earned \$ as a % of Total Income		46%
Contributed \$ as a % of Total Income		54%
CUNA as a % of Expenses		-6.0%
Estimated Workforce		% of Total
Artistic (all)	80,400	63%
Administrative	15,800	12%
Production/Technical	32,000	25%
Total Paid Personnel	128,200	



TREND THEATRES

This section of the report focuses on the 112 Trend Theatres that responded to the TCG Fiscal Survey each year from 2005 to 2009. Following the same set of theatres over time avoids variations attributable to different theatres participating in some years but not in others. Trend Theatres, whose average expenses were \$6.7 million in 2009, are significantly larger than theatres found in the larger Universe.

We organize the analysis into 5 sections: (1) earned income sources; (2) expense allocations; (3) sources of contributions and CUNA; (4) balance sheet; and (5) attendance, number of performances and pricing. All dollar figures and percentages represent averages rather than aggregates. In each section, we present 1-year percentage changes that compare activity levels in 2009 to activity levels in 2008 and 4-year percentage changes that offer a longer-term perspective comparing activity levels in 2009 to activity levels in 2005. In addition, we include a 10-year trend analysis for a subset of 66 Long-term Trend Theatres that have participated in the TCG Fiscal Survey each year since 2000. In the tables, there may be slight discrepancies in the totals due to rounding.

First we provide a summary of the 5-year trends. The first three years of the 5-year period reflect a robust economy. The effects of the economic downturn begin to emerge in TCG Fiscal Survey 2008, even though the brunt of the decline was felt after the close of that survey. Early signs of downturn are reflected in the 2008 shift from average capital gains to capital losses and the shift from positive to negative CUNA. The picture continued to shift rather dramatically in the past year. For the 5-year period ending in 2009, contributed income outpaced inflation negligibly and could do little to offset the severe erosion of earned income and growth in expenses.

Figure 1 shows 5-year trends in income, expenses and CUNA. Adjusting for inflation, 5-year growth rates were -23% for earned income, 1% for contributed income, -12% for total income, 9.7% for expenses and -190.3% for CUNA. Expenses increased annually until 2008 but theatres made 1.1% overall cuts in 2009. Earned income rose annually from 2005 to 2007 and then diminished in 2008 and dropped sharply in 2009. Contributed income was at a 5-year high in 2009, rising 7.7% in the past year alone but not enough of a boost to bring the 5-year growth to more than 1% above inflation. CUNA was in the positive triple digits from 2005 to 2007, fell into negative territory in 2008 and plummeted in 2009, largely due to capital losses. Average contributed income exceeded average earned income for the first time in 2009 for Trend Theatres.

FIGURE 1
TREND THEATRE AVERAGES: EARNED AND CONTRIBUTED INCOME, EXPENSES AND CUNA

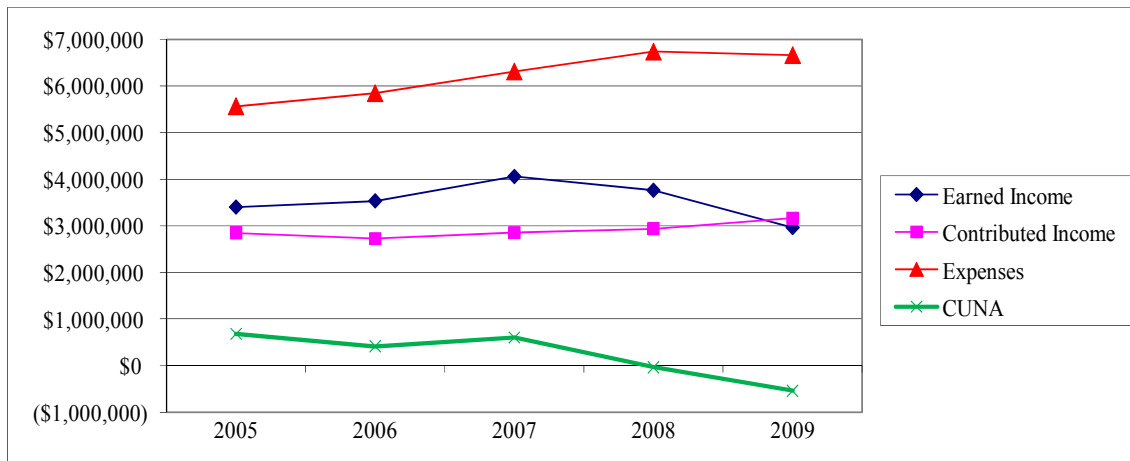


Figure 2 presents levels of earned income and contributed income over time along with total income. The bar chart more clearly demonstrates how total income exceeded expenses in 2005 through 2007 and how expenses exceeded total income in 2008 and 2009, resulting in increasingly negative CUNA between 2008 and 2009.

FIGURE 2
TREND THEATRE AVERAGES: EARNED, CONTRIBUTED AND TOTAL INCOME, EXPENSES, CUNA

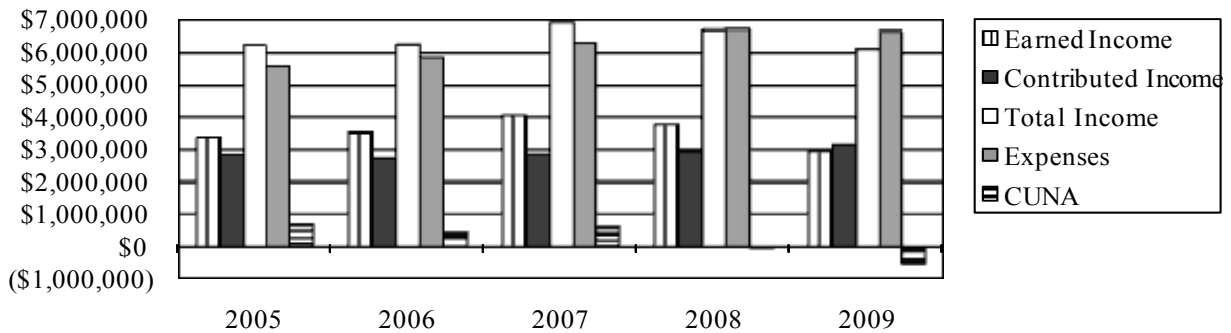
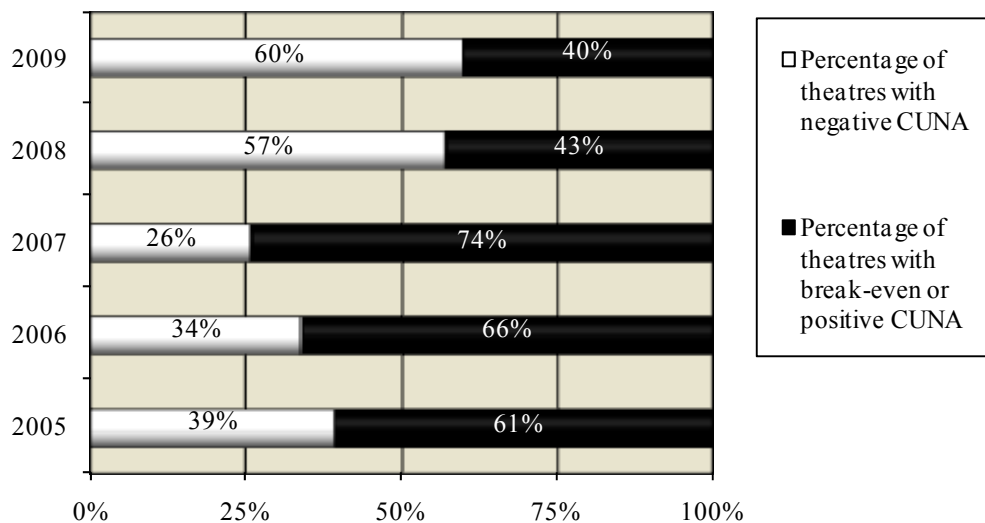


Figure 3 shows the annual percentage of Trend Theatres that broke even or had positive CUNA versus those that experienced negative CUNA. This chart highlights the fact that while an increasing majority of theatres operated in the black from 2005 to 2007, more than half of the theatres had negative CUNA in 2008 and 2009.

FIGURE 3
BREAKDOWN OF 112 TREND THEATRES' CHANGES IN UNRESTRICTED NET ASSETS (CUNA)

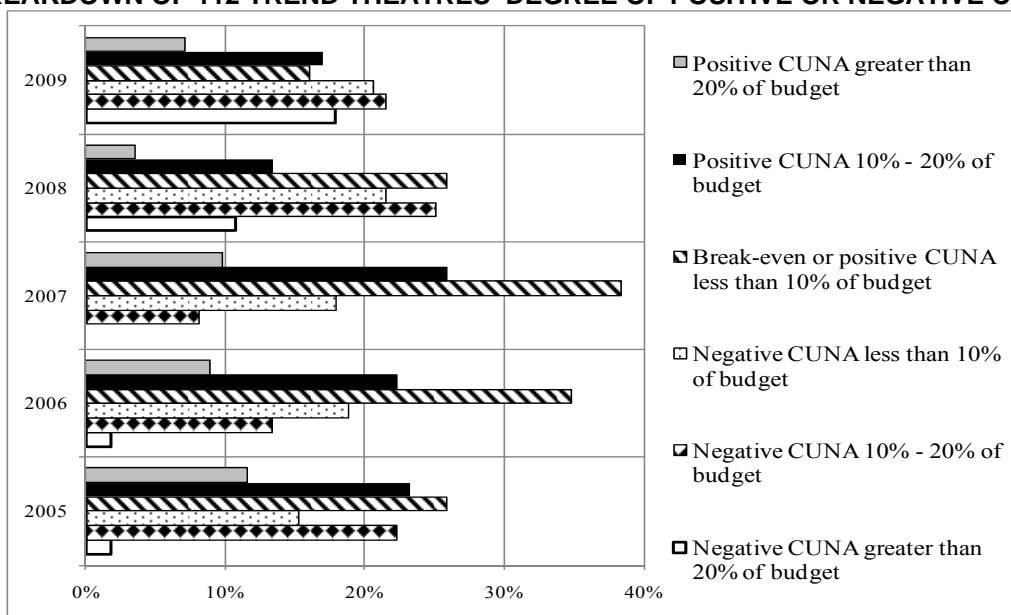


Figures 1 and 2 tell us that average CUNA was far more negative in 2009 than in 2008 and yet Figure 3 indicates that the percentage of theatres operating in the red was similar in both years. Figure 4 provides additional insight by showing the percentage of theatres running relatively small and large deficits annually, and those running relatively small and large surpluses. The Figure reveals that an increasing proportion of theatres ran larger deficits in 2009. Eleven Trend Theatres ended each of the past five years in the black and three ended each year in the red.

The average shortfall decreased from 2005 to 2007. This trend reversed itself in 2008 and 2009. The proportion of Trend Theatres with negative CUNA less than 10% of budget size went from a low of 15% in 2005 to a high of 21% in 2008 and 2009. The proportion with negative CUNA in the 10% to 20% range was the same in 2009 as in 2005. Figure 4 reveals, however, that the percentage of theatres reporting negative CUNA greater than or equal to 20% of budget (the white bars at the bottom of each year's stack) decreased from 2% in 2005 and 2006 to less than 1% in 2007 but increased to 11% in 2008 and 18% in 2009. The proportion of theatres with severely negative CUNA was far more dramatic in 2009 than in prior years.

The percentage of theatres reporting positive CUNA greater than 20% of budget (the solid gray bars at the top of each year's stack in Figure 4) fluctuated from a high of 12% in 2005 to a low of 4% in 2008, back up to 7% of theatres running a surplus of 20% or more in 2009. This trend is replicated for theatres reporting positive CUNA of 10-20% of budget (the black bars in Figure 4): consistently greater than 20% of theatres from 2005-2007 dropping to 14% in 2008 and increasing to 17% in 2009.

FIGURE 4
BREAKDOWN OF 112 TREND THEATRES' DEGREE OF POSITIVE OR NEGATIVE CUNA



EARNED INCOME

We examine changes in earned income in this section. Table 2 shows average earned income sources in dollars and three trend indices: 1-year percentage change, 4-year percentage change and 4-year percentage change adjusted for inflation. Table 3 shows each earned income category as a percentage of total expenses so that we can see whether specific income categories are increasing or decreasing as a proportion of total budget.

In some instances, there is a positive dollar increase in an income category—even after adjusting for inflation—but a decrease in the percentage of expenses that it supports. This occurs when the increase in an income category does not keep pace with the increase in expenses over the 5-year period. Theatres' capital losses in 2008-2009 reflect the global economic decline in capital markets. 5-year earned income growth exclusive of capital gains/losses and other investment income was 0.8% above inflation.

For the 112 Trend Theatres:

- ◆ Earned income, including investment income, increased steadily from 2005 to 2007, fell off from 2007 to 2008 and dropped another 21.3% in 2009. As a result, inflation-adjusted losses were 23% for the 5-year period (see Table 2) and earned income supported 16.7% less of total expenses in 2009 than in 2005, the lowest level of expense support during the 5-year period (see Table 3).
- ◆ Average subscription income fluctuated slightly and was at its highest 5-year level in 2007, dropping 1.6% from 2008 to 2009. After adjusting for inflation, subscription income was 8.5% lower in 2009 than in 2005. As shown in Table 3, subscription income covered a lower level of total expenses in 2009 (17.9%) than in any other year.
- ◆ Additional analyses (not shown in the tables) indicate that flexible subscription income accounted for 9% of total subscription income in 2008 and 2009, up from 6% in 2007. Thirty-six percent of theatres that offer flexible subscriptions reported increases over time.
- ◆ Average single ticket income exceeded average subscription income each year. It rose annually between 2005 and 2008 then dipped 12.1% in 2009. This pattern is consistent with the reported number of single tickets sold, shown later in the report in Table 13. Still, 5-year growth in single ticket income exceeded inflation by 6.2% and nearly kept pace with expense growth, supporting 0.6% less of the average total expenses in 2009 than 2005. Fifty-five percent of theatres reported higher inflation-adjusted total single ticket income in 2009 than in 2005.
- ◆ Booked-in event income was at its peak in 2005, decreased from 2006 through 2008 then increased 12% in 2009. Overall, booked-in event income was 45% lower in 2009 than in 2005 after adjusting for inflation.
- ◆ The inflation-adjusted decline in total ticket income was 2.2% from 2005 to 2009. Table 3 shows that ticket income covered a 4.4% lower proportion of expenses in 2009 than in 2005.

TABLE 2: AVERAGE EARNED INCOME (112 Theatres)

	2005	2006	2007	2008	2009	1-yr. % chg.	4-yr. % chg.	4-yr % CGR*
Subscriptions	\$1,174,332	\$1,173,521	\$1,230,649	\$1,211,037	\$1,192,187	-1.6%	1.5%	-8.5%
Single Ticket Income	1,225,865	1,305,977	1,422,578	1,619,327	1,424,137	-12.1%	16.2%	6.2%
Booked-In Events	68,260	56,001	44,649	39,642	44,399	12.0%	-35.0%	-45.0%
Total Ticket Income	\$2,468,457	\$2,535,498	\$2,697,876	\$2,870,006	\$2,660,723	-7.3%	7.8%	-2.2%
Tour Contracts/Presenting Fees**	25,019	29,956	104,265	93,363	32,325	-65.4%	29.2%	19.2%
Educational/Outreach Income	186,615	186,412	197,743	194,722	201,215	3.3%	7.8%	-2.2%
Royalties	8,070	18,510	19,399	18,860	17,048	-9.6%	111.2%	101.2%
Concessions	72,887	74,750	78,512	79,353	80,323	1.2%	10.2%	0.2%
Production Income**	117,761	44,155	71,950	63,011	122,546	94.5%	4.1%	-5.9%
Advertising	20,316	22,463	23,266	24,306	22,296	-8.3%	9.7%	-0.3%
Rentals	52,901	60,476	62,804	78,179	78,519	0.4%	48.4%	38.4%
Other (ticket handling, insur., etc.)	116,053	171,645	190,853	219,615	185,734	-15.4%	60.0%	50.0%
Total Other Earned Income	\$ 599,623	\$ 608,367	\$ 748,793	\$ 771,410	\$ 740,006	-4.1%	23.4%	13.4%
Interest and Dividends	28,130	38,101	48,473	49,356	26,065	-47.2%	-7.3%	-17.3%
Endowment Earnings	130,792	181,765	317,383	198,283	39,866	-79.9%	-69.5%	-79.5%
Capital Gains/(Losses)	171,254	167,492	242,672	(129,567)	(509,578)	-293.3%	-397.6%	-407.6%
Total Investment Income	\$ 330,177	\$ 387,357	\$ 608,529	\$ 118,072	\$ (443,647)	-475.7%	-234.4%	-244.4%
Total Earned Income	\$3,398,256	\$3,531,222	\$4,055,198	\$3,759,487	\$2,957,082	-21.3%	-13.0%	-23.0%

* Compounded Growth Rate adjusted for inflation. ** Trend skewed by one or two theatres' exceptional activity

For the 112 Trend Theatres:

- ◆ Aside from ticket sales, other activities generated earned income that rose 13.4% above inflation from 2005 to 2009.
- ◆ Income from presenter fees and contracts for toured performances more than tripled from 2006 to 2007, remained high in 2008 and returned to pre-2007 levels in 2009. The spike in growth is primarily due to one theatre that earned more than \$7 million from this activity in 2007 and 2008 but nothing in other years. The 2009 figure, while reflecting a 65.4% drop from 2008, represents a 19.2% increase compared to 2005 after adjusting for inflation.
- ◆ Educational and outreach income was at its highest 5-year level in 2009. Despite this increase, education and outreach income growth fell short of inflation by 2.2%. Theatres offered an average of 8 education and outreach programs annually from 2005 to 2008, and 9 programs on average in 2009. The average number of people served by outreach and education activity fluctuated between 16,800 and 18,300 each year. In 2009, theatres' education and outreach programs served an average of 16,959 people.
- ◆ Royalty income recovered from a low in 2005 to post a high in 2007. Even though royalty income decreased 9.6% from 2008 to 2009, overall growth for the 5-year period exceeded inflation by 101.2%. Average royalty income per property varied from a low of \$3,544 in 2005 to a high of \$8,747 in 2006. The 2009 average per property was \$6,606. The collective number of world premieres increased annually from 142 in 2005 to 165 in 2009.
- ◆ Average production income—a combination of enhancement and co-production income from commercial producers and other not-for-profit theatres that share a production and the expenses to create it—was at its 5-year peak in 2009 due to one theatre's exceptional enhancement funds but fluctuated greatly from year to year. 5-year growth in production income lagged inflation by 5.9%.
- ◆ Seventeen to twenty-eight theatres co-produce each year. Examining only the sub-group of theatres reporting co-production income, the low average was \$89,000 in 2008 and the high was \$155,300 in 2005, and the 2009 average was \$98,889. Seven theatres reported co-production income in each of the past five years.
- ◆ The number of theatres reporting enhancement income (income from commercial producers) varies, with 13 theatres reporting enhancement income averaging \$680,000 in 2005, 8 theatres averaging \$347,000 in 2006, 10 theatres averaging \$501,000 in 2007, 15 theatres averaging \$340,000 in 2008 and 14 theatres averaging \$818,000 in 2009. Four theatres received enhancement income in each of the five years. Enhancement income per theatre ranged from \$2,300 to \$6 million.
- ◆ Advertising income was down 8.3% in 2009 after four consecutive years of growth. It grew at a rate slightly below inflation over the 5-year period while concession income growth outpaced inflation by 0.2%.

For the 112 Trend Theatres:

- ◆ Rental income rose each year, with growth outpacing inflation by 38.4%. Over 76% of Trend Theatres reported rental income every year, which demonstrates that theatres are taking advantage of their physical assets to earn ancillary income.
- ◆ Overall, investment income was 244% lower in 2009 than in 2005, reaching its 5-year high in 2007.
- ◆ Average interest and dividends from short-term investments increased each year from 2005 to 2008 then declined 47.2% in 2009. Over the five year period, theatres saw a 17.3% inflation-adjusted decrease in interest and dividends.
- ◆ Average endowment earnings peaked in 2007, decreased significantly in 2008 and fell an additional 79.9% in 2009. The economic crisis created 5-year, inflation-adjusted declines in endowment earnings of 79.5%. This line item includes earned and transferred investment income from endowments (donor restricted) or quasi-endowments (board designated) that were established specifically to provide income. Endowment earnings supported 1.8% lower proportion of expenses in 2009 than in 2005.

The number of theatres recognizing endowment income also increased, from 56 in 2005 to 63 in 2009. Of those 63, 24 had improved endowment earnings from 2008 to 2009, 1 had the same amount, and 38 had lower.

- ◆ Average capital losses from unrestricted investment assets reached a 5-year low point in 2009, representing an overall decline of 407.6% in inflation-adjusted figures. The \$243,000 peak average capital gain in 2007 is dwarfed in comparison to the \$509,000 average loss in 2009. In 2005, 10 theatres reported a capital loss and 43 reported capital gains. By contrast, 46 theatres had capital losses in 2009 while only 10 reported capital gains.

It is important to note that theatres report significant increases or decreases in capital gains as a result of accounting for the present market value of their investment portfolios in addition to gains or losses from the sale of securities. As such, these represent realized and unrealized gains in the present market value of the portfolio from year to year. With a long-term investment strategy, it is expected that market conditions will vary from year to year but that the portfolio ultimately will increase in value over time, despite the grim outlook of the recent economic crisis.

- ◆ Total earned income covered 44.4% of total expenses in 2009, a 16.7% decrease from 2005. The inflation-adjusted 23% decline in earned income over the past five years occurred in concert with expense growth that outpaced inflation, as detailed in the next section.

TABLE 3: AVERAGE EARNED INCOME AS A PERCENTAGE OF TOTAL EXPENSES (112 Theatres)

	2005	2006	2007	2008	2009	1-year % chg.	4-year % chg.
Subscriptions	21.1%	20.1%	19.5%	18.0%	17.9%	-0.1%	-3.2%
Single Ticket Income	22.0%	22.3%	22.5%	24.0%	21.4%	-2.7%	-0.6%
Booked-In Events	1.2%	1.0%	0.7%	0.6%	0.7%	0.1%	-0.6%
Total Ticket Income	44.3%	43.4%	42.7%	42.6%	39.9%	-2.7%	-4.4%
Tour Contracts/Presenting Fees**	0.4%	0.5%	1.7%	1.4%	0.5%	-0.9%	0.0%
Educational/Outreach Income	3.4%	3.2%	3.1%	2.9%	3.0%	0.1%	-0.4%
Royalties	0.1%	0.3%	0.3%	0.3%	0.3%	0.0%	0.1%
Concessions	1.3%	1.3%	1.2%	1.2%	1.2%	0.0%	-0.1%
Production Income**	2.1%	0.8%	1.1%	0.9%	1.8%	0.9%	-0.3%
Advertising	0.4%	0.4%	0.4%	0.4%	0.3%	0.0%	0.0%
Rentals	1.0%	1.0%	1.0%	1.2%	1.2%	0.0%	0.2%
Other	2.1%	2.9%	3.0%	3.3%	2.8%	-0.5%	0.7%
Total Other Earned Income	10.8%	10.4%	11.9%	11.5%	11.1%	-0.3%	0.3%
Interest and Dividends	0.5%	0.7%	0.8%	0.7%	0.4%	-0.3%	-0.1%
Endowment Earnings	2.3%	3.1%	5.0%	2.9%	0.6%	-2.3%	-1.8%
Capital Gains/(Losses)	3.1%	2.9%	3.8%	-1.9%	-7.6%	-5.7%	-10.7%
Total Investment Income	5.9%	6.6%	9.6%	1.8%	-6.7%	-8.4%	-12.6%
Total Earned Income	61.0%	60.4%	64.2%	55.8%	44.4%	-11.4%	-16.7%

** Trend skewed by one or two theatres' exceptional activity.



EXPENSES

This section examines each category of expenses and how theatres shifted their allocation of resources over time. Table 4 presents average expenses in dollars and 1-year percentage changes, 4-year percentage changes and 4-year percentage changes adjusted for inflation. Table 5 presents each expense category as a percentage of total expenses, and in Table 6 we provide a subset of administrative expense-to-income ratios.

Despite belt-tightening in many areas in 2009, total expense growth outpaced inflation over the 5-year period by 9.7%—making the erosion of earned income detailed above an even greater concern. All expense categories experienced growth in excess of inflation from 2005 to 2009 with the exception of royalties and physical production expenses (i.e., lumber, steel, fabric, etc.).

For the 112 Trend Theatres:

- ◆ Total payroll increased 10.7% above inflation from 2005 to 2009 and accounted for half a percent more of theatres' total expenses. The average number of paid employees peaked at 218 in 2006 and reached its lowest level of 204 in 2009. Job cuts affected full-time, part-time and jobbed-in employees. The number of full-time employees went from a high of 63 in 2005 to a low of 51 in 2009. Theatres employed on average five fewer fee-based or jobbed-in workers in 2009 compared to 2005.
- ◆ In 2005, artistic and administrative payroll accounted for 19.5% and 20.5% of theatres' expenses, respectively—the largest areas of resource allocation (see Table 5). Since then, administrative payroll has held its ground as a proportion of expenses and its growth has outpaced inflation by 0.5%. Artistic payroll, on the other hand, now represents only 18.6% of total expenditures and its growth over the 5-year period fell short of inflation by 0.9%.
- ◆ Additional analyses (not shown in the tables) indicate that the number of full-time and part-time artistic staff per theatre, including actors on staff, fluctuated between 6 and 7 each year. At the same time, the average total number of paid artists—including staff and contracted artists—fluctuated from a low of 101 in 2006 to a high of 105 in 2008, ending the period at 104. The average number of permanent administrative personnel (full-time and part-time) fluctuated between 32 and 35 each year, with 34 in 2009. Theatres supplemented the salaried administrative workforce with an average of 9 fee-based or jobbed-in staff in 2006, 10 in 2005 and 2007, 12 in 2008 and 11 in 2009.
- ◆ Production payroll outpaced inflation over the 5-year period by 17%. The average number of paid production personnel (full-time, part-time and over-hire) fluctuated annually but ended the period with five more paid positions in 2009 (74) than in 2005 (69).

TABLE 4: AVERAGE EXPENSES (112 Theatres)

	2005	2006	2007	2008	2009	1-yr. % chg.	4-yr. % chg.	4-yr. % CGR*
Artistic Payroll	\$1,088,408	\$1,114,811	\$1,180,381	\$1,209,637	\$1,241,907	2.7%	14.1%	4.1%
Administrative Payroll	1,139,625	1,218,934	1,302,837	1,380,860	1,397,139	1.2%	22.6%	12.6%
Production Payroll	781,455	839,731	886,894	916,353	992,244	8.3%	27.0%	17.0%
Total Payroll	\$3,009,488	\$3,173,477	\$3,370,112	\$3,506,849	\$3,631,289	3.5%	20.7%	10.7%
General Artistic Non-Payroll	207,434	198,669	220,669	234,591	230,890	-1.6%	11.3%	1.3%
Royalties	132,774	138,365	150,135	148,535	145,584	-2.0%	9.6%	-0.4%
Production/Tech Non-Payroll (physical production)**	412,722	366,979	479,531	614,387	427,184	-30.5%	3.5%	-6.5%
Development/Fundraising	198,633	219,986	252,530	269,098	247,208	-8.1%	24.5%	14.5%
Marketing/Customer Service/Concessions	703,991	762,639	808,668	842,718	805,409	-4.4%	14.4%	4.4%
Occupancy/Building/Equipment/Maintenance	505,107	534,767	557,556	581,114	625,708	7.7%	23.9%	13.9%
Depreciation	208,630	232,299	243,552	278,361	294,380	5.8%	41.1%	31.1%
General Management/Operations	189,599	221,245	229,963	261,359	255,828	-2.1%	34.9%	24.9%
Total Expenses	\$5,568,377	\$5,848,425	\$6,312,718	\$6,737,013	\$6,663,479	-1.1%	19.7%	9.7%

* Compounded Growth Rate adjusted for inflation. ** Trend skewed by one or two theatres' exceptional activity

TABLE 5: AVERAGE EXPENSES AS A PERCENTAGE OF TOTAL EXPENSES (112 Theatres)

	2005	2006	2007	2008	2009	1-yr. % chg.	4-yr. % chg.
Artistic Payroll	19.5%	19.1%	18.7%	18.0%	18.6%	0.7%	-0.9%
Administrative Payroll	20.5%	20.8%	20.6%	20.5%	21.0%	0.5%	0.5%
Production/Technical Payroll	14.0%	14.4%	14.0%	13.6%	14.9%	1.3%	0.9%
Total Payroll	54.0%	54.3%	53.4%	52.1%	54.5%	2.4%	0.5%
General Artistic Non-Payroll	3.7%	3.4%	3.5%	3.5%	3.5%	0.0%	-0.2%
Royalties	2.4%	2.4%	2.4%	2.2%	2.2%	0.0%	-0.2%
Production/Technical Non-Payroll (physical production)**	7.4%	6.3%	7.6%	9.1%	6.4%	-2.7%	-1.0%
Development/Fundraising	3.6%	3.8%	4.0%	4.0%	3.7%	-0.3%	0.1%
Marketing/Customer Service/Concessions	12.6%	13.0%	12.8%	12.5%	12.1%	-0.4%	-0.7%
Occupancy/Building/Equipment/Maintenance	9.1%	9.1%	8.8%	8.6%	9.4%	0.8%	0.3%
Depreciation	3.7%	4.0%	3.9%	4.1%	4.4%	0.3%	0.7%
General Management/Operations	3.4%	3.8%	3.6%	3.9%	3.8%	0.0%	0.4%
Total Expenses	100.0%	100.0%	100.0%	100.0%	100.0%		

** Trend skewed by one theatre's exceptional activity in 2007 and 2008.

For the 112 Trend Theatres:

- ◆ General artistic expenses (housing and travel, per diems, company management and stage management expenses) reached a 5-year peak in 2008 then decreased 1.6% in 2009, for overall growth of 1.3% after adjusting for inflation.
- ◆ Average royalty expenses increased in 2006 and 2007 then dropped somewhat in 2008 and again in 2009. From 2005 to 2009, royalty growth lagged inflation by 0.4% and the average theatre paid royalties on 6 to 8 properties each year.
- ◆ Production/Technical Non-Payroll expenses (physical production materials, supplies and rentals) varied considerably from year to year due to one theatre's exceptional activity. This theatre increased its physical production expenses by \$8 million in 2007 and by another \$10 million in 2008, with the total amount spent being four times that of the theatre with the next highest level in these two years. In 2009, this theatre's production spending dropped 66% but remained twice the level of any other theatre. Overall, physical production expense growth fell short of inflation by 6.5%, and physical production expense now accounts for 1% less of total expenses than in 2005.
- ◆ Despite 8.1% cuts in average development expenses from 2008 to 2009, overall growth in this area outpaced inflation by 14.5%. As shown in Table 6, when personnel costs are taken into consideration, the return on each fundraising dollar spent by theatres has remained fairly stable over time, with a slight increase in cost-effectiveness from 2008 to 2009. Return on each dollar spent on fundraising events, however, diminished over time. It took 33 cents to raise one dollar of special event income in 2005 and 40 cents to do so in 2009.
- ◆ Marketing expense growth exceeded inflation by 4.4% over the 5-year period (Table 4), despite the fact that budget cuts in 2009 returned the average as a percentage of total expenses to below its 2005 level (see Table 5).
- ◆ As shown in Table 6, expenditures targeting single ticket buyers were less effective from 2005 to 2007, requiring 25 cents to generate each dollar of revenue. Single ticket marketing effectiveness improved significantly in 2008 and returned to the 2005 level in 2009. Inflation-adjusted single ticket income increased over the 5-year period, as discussed earlier.
- ◆ Generating a dollar of subscription income required between 13 and 15 cents in each of the five years, as shown in Table 6. If we include marketing personnel expense, we see that it took two cents more of total marketing resources to generate a dollar of ticket income in 2009 versus 2005.
- ◆ While education/outreach income decreased 2.2% in inflation-adjusted figures over the 5-year period, the expenses allocated to generate each dollar of education/outreach income rose 20.4% if we include personnel costs and 6.9% if we exclude staff salaries (see Table 6). It should be noted that the education and outreach income reflected in Table 6 includes both earned and contributed income; total education/outreach expenses include education program staff salaries but not the development costs associated with grant writing for education or outreach funding.

For the 112 Trend Theatres:

- ◆ Occupancy/building and equipment maintenance costs increased each year, rising 7.7% in the past year alone and 13.9% above inflation over the five years. Roughly 39% of theatres reported that they owned their stage in 2005, increasing to 41% by 2009. Also, 41% now report that they own their office space. The largest component of this expense is the cost of rent—46% of theatres rented their space in 2009—or debt service on facilities and regularly scheduled maintenance of infrastructure and utilities, which rose 17% more than inflation over the 5-year period.
- ◆ Depreciation, the non-cash expense that accounts for the decrease in the book value of property and equipment, increased 31.1% between 2005 and 2009 after adjusting for inflation and is now equivalent to 4.4% of total expenses. This increase reflects the impact of increases in fixed assets, which we discuss in the Trend Theatres Balance Sheet section below.

TABLE 6: TREND THEATRES ADMINISTRATIVE EXPENSE INDEX (112 Theatres)

	2005	2006	2007	2008	2009	1-yr %chg.	4-yr %chg.
Single ticket marketing expense (excluding personnel expense) to single ticket income	24%	25%	25%	22%	24%	1.8%	-0.5%
Subscription marketing expense (excluding personnel expense) to subscription income	13%	14%	13%	15%	14%	-1.0%	1.0%
Total marketing expense (including personnel expense) to total ticket sales	29%	31%	31%	30%	31%	1.0%	2.1%
Development expense (excluding personnel expenses, fundraising event expenses) to total unrestricted contributed income (excluding fundraising event income)	4%	5%	5%	6%	4%	-1.1%	0.3%
Fundraising event expense (excluding personnel expense) to fundraising event income	33%	34%	36%	38%	40%	2.4%	7.3%
Total development expense (including fundraising event expense and personnel expense) to total unrestricted contributed income	14%	16%	17%	17%	16%	-1.7%	1.9%
Total development expense (including fundraising event expense and personnel expense) to total contributed income (including unrestricted, temporarily restricted and permanently restricted contributed income)	12%	14%	14%	16%	15%	-0.8%	2.5%
Education/outreach expense (excluding personnel expense) to education/outreach income (earned and contributed)	18%	18%	19%	24%	25%	0.9%	6.9%
Total education/outreach expense (including personnel expense) to education/outreach income (earned and contributed)	63%	74%	80%	85%	83%	-1.8%	20.4%



CONTRIBUTED INCOME AND CHANGES IN UNRESTRICTED NET ASSETS (CUNA)

In this section we examine contributed income trends and changes in unrestricted net assets (CUNA), which is the balance that remains after subtracting total unrestricted expenses from total unrestricted income. Contributed sources include Net Assets Released from Temporary Restriction (NARTR). For example, a theatre's total individual contributions may include unrestricted gifts to an annual or capital campaign granted in a prior year, but not released from temporary restrictions until the current year.

Table 7 shows average contributed income from each source and CUNA for 2005 through 2009 along with 1-year percentage changes, 4-year percentage changes and 4-year percentage changes adjusted for inflation. Between 2005 and 2009, growth in total contributed income exceeded inflation by 1%. However, because this growth rate lagged behind the growth rate for expenses, contributions supported 3.7% less of expenses in 2009 than in 2005, as shown in Table 8.

Adjusted for inflation, total income fell by 12% over the five years (Table 7), while total expenses grew by 9.7% (Table 4). Average CUNA was at a high of \$677,811 in 2005, slipped in 2006, improved in 2007, fell into negative territory in 2008 for the first time in the 5-year period and ended at -\$544,574 in 2009. The negative CUNA represented 8.2% of total expenses (Table 8). It is important to keep in mind that CUNA includes both operating and non-operating activity related to unrestricted funds. It includes exceptional contributed income for theatres in capital campaigns, depreciation and capital gains and losses from endowments and other investments.

The positive annual CUNA between 2005 and 2007 contributed to an overall improvement in unrestricted net assets over the 5-year period. On average, theatres finished 2009 with unrestricted net assets of \$5.4 million compared to unrestricted net assets of \$4 million at the beginning of 2005. Eighty-three of the 112 Trend Theatres experienced budget growth that exceeded inflation over the five years. One theatre more than doubled its budget.

TABLE 7: AVERAGE CONTRIBUTED INCOME (112 THEATRES)

	2005	2006	2007	2008	2009	1-yr. % chg.	4-yr. % chg.	4-yr. % CGR*
Federal**	\$ 69,025	\$ 47,300	\$ 49,317	\$ 57,068	\$ 95,128	66.7%	37.8%	27.8%
State	128,352	92,308	138,635	107,354	103,585	-3.5%	-19.3%	-29.3%
City/County	226,351	163,680	116,862	129,526	196,127	51.4%	-13.4%	-23.4%
Corporations	338,239	294,540	330,401	289,925	291,505	0.5%	-13.8%	-23.8%
Foundations	531,216	584,551	562,580	516,904	647,022	25.2%	21.8%	11.8%
Trustees	315,947	300,939	333,878	395,786	392,462	-0.8%	24.2%	14.2%
Other Individuals	706,068	665,693	706,738	722,078	739,603	2.4%	4.7%	-5.3%
Fundraising Events/Guilds	278,454	283,125	316,509	330,796	299,336	-9.5%	7.5%	-2.5%
United Arts Funds	28,633	27,394	26,172	25,913	28,057	8.3%	-2.0%	-12.0%
In-Kind Services/Materials/Facilities	127,991	156,394	164,418	178,917	183,480	2.6%	43.4%	33.4%
Other Contributions	97,656	111,859	111,082	182,721	185,518	1.5%	90.0%	80.0%
Total Contributed Income	\$2,847,933	\$2,727,784	\$2,856,591	\$2,936,988	\$3,161,823	7.7%	11.0%	1.0%
Total Income	\$6,246,189	\$6,259,006	\$6,911,789	\$6,696,475	\$6,118,905	-8.6%	-2.0%	-12.0%
Changes in Unrestricted Net Assets (CUNA)	\$677,811	\$410,581	\$599,071	\$(40,537)	\$(544,574)	1243.4%	-180.3%	-190.3%

* Compounded Growth Rate adjusted for inflation. ** Trend skewed by one theatre's exceptional activity in 2009.

For the 112 Trend Theatres:

- ◆ After adjusting for inflation, average federal funding rose 27.8% in 2009 from its 2005 level, and it accounted for 0.2% more of the average theatre’s budget over time. The 66.7% growth in average federal funding from 2008 to 2009 is driven by one theatre that received \$4.3 million in federal funds released from temporary restriction. If we were to exclude this theatre from the analyses, average federal funding in 2005 would have been \$64,315 and \$50,670 in 2009, for an overall inflation-adjusted decline of 31%. However, since this theatre’s exceptional activity is part of the landscape of all federal funding over the 5-year period, we keep it in the analyses despite the fact that it skews the average.

The percentage of Trend Theatres receiving federal funding fluctuated during the five years between a low of 58% in 2007 and a high of 66% in 2009. Federal funding sources include the NEA, NEH, the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, the U.S. Department of Education, the Coming Up Taller Award-Playwright Mentoring Project, the National Parks Service and the National Capital Arts and Cultural Affairs Program of the U.S. Commission of Fine Arts, which funds organizations in Washington, DC. In 2009, the NEA added the American Recovery and Reinvestment Grant initiative.

- ◆ In 2005, 5.6% of all federal funding was earmarked for support of touring. This figure diminished to 1% in 2007 and has stayed at that level since. Of total federal funding, 24% went directly to support education programs in 2006 and only 7% in 2009, with remaining years averaging in the range of 14% to 16%.
- ◆ Average state funding was at its highest dollar level in 2007 and its lowest level in 2006, with 5-year growth trailing inflation by 29.3% and support of expenses 0.8% lower. Higher levels of state support in 2005 and 2007 were tied to capital campaigns. Funding earmarked for education programs was 13% of total state grants in 2005 and between 4% and 6% of state support in all other years. Funding for touring was less than 1% of total state support each year.
- ◆ Average local funding fluctuated greatly from year to year, increasing 51.4% from 2008 to 2009 but down 23.4% for the 5-year period after adjusting for inflation. Fluctuations were largely driven by unrestricted contributions to capital campaigns, with roughly 45% of local funding tied to capital campaigns in 2005 and 2009, when average local funding peaked. In the end, city and county funding supported 1.1% less expenses in 2009 than in 2005.

TABLE 8: AVERAGE CONTRIBUTED INCOME AS A PERCENTAGE OF TOTAL EXPENSES (112 Theatres)

	2005	2006	2007	2008	2009	1-yr. % chg.	4-yr. % chg.
Federal**	1.2%	0.8%	0.8%	0.8%	1.4%	0.6%	0.2%
State	2.3%	1.6%	2.2%	1.6%	1.6%	0.0%	-0.8%
City/County	4.1%	2.8%	1.9%	1.9%	2.9%	1.0%	-1.1%
Corporations	6.1%	5.0%	5.2%	4.3%	4.4%	0.1%	-1.7%
Foundations	9.5%	10.0%	8.9%	7.7%	9.7%	2.0%	0.2%
Trustees	5.7%	5.1%	5.3%	5.9%	5.9%	0.0%	0.2%
Other Individuals	12.7%	11.4%	11.2%	10.7%	11.1%	0.4%	-1.6%
Fundraising Events/Guilds	5.0%	4.8%	5.0%	4.9%	4.5%	-0.4%	-0.5%
United Arts Funds	0.5%	0.5%	0.4%	0.4%	0.4%	0.0%	-0.1%
In-Kind Services/Materials/Facilities	2.3%	2.7%	2.6%	2.7%	2.8%	0.1%	0.5%
Other Contributions	1.8%	1.9%	1.8%	2.7%	2.8%	0.1%	1.0%
Total Contributed Income	51.1%	46.6%	45.3%	43.6%	47.5%	3.9%	-3.7%
Total Income	112.2%	107.0%	109.5%	99.4%	91.8%	-7.6%	-20.3%
Changes in Unrestricted Net Assets (CUNA)	12.2%	7.0%	9.5%	-0.6%	-8.2%	-7.6%	-20.3%

** Trend skewed by one theatre’s exceptional activity in 2009.

For the 112 Trend Theatres:

- ◆ Corporate giving was up 0.5% in the past year but 5-year growth still trailed inflation by 23.8%, and corporate gifts supported 1.7% less expenses in 2009 than in 2005.

Although an average of 10 fewer corporations donated in the past year as compared with 2005, on the whole, their average gift in 2009 was \$13,200, the highest of the 5-year period. This compares to the low average corporate gift of \$8,600 in 2006. Total corporate support was at its highest level in 2005 and 2007. In 2005, an unusually high percentage of corporate gifts were earmarked for capital campaigns: 25% as compared to the low of 6% in 2008. The average theatre received support from 34 corporations in 2007 but from only 23 in 2009. Roughly 12% of corporate gifts support education programs annually.

- ◆ Average foundation support fluctuated over the 5-year period but growth outpaced inflation by 11.8% and foundation grants supported 0.2% more of expenses in 2009 than in 2005. The average number of foundation gifts per theatre rose from 17 in 2005 to 18 in 2006 through 2008 and to 19 grants in 2009. The average foundation gift was at a 5-year low of \$28,350 in 2008 and a high of \$34,970 in 2009.
- ◆ Combined individual contributions from trustees and non-trustees were at a 5-year high in 2009, despite the fact that growth in giving from non-trustees fell short of inflation. Individuals were by far the greatest source of contributed funds each year. Unrestricted gifts for capital campaigns accounted for a low of 13% of total individual giving in 2008 and a high of 26% of total giving in 2005. Individuals earmarked only 1% of their contributions for education programs annually.
- ◆ Average trustee giving decreased 0.8% in the past year following its 5-year peak in 2008. Support from board members during the tough economic times led to overall growth in trustee support of 14.2% above inflation, sustaining 0.2% more of expenses in 2008 and 2009 than in 2005. The number of trustees per theatre making a donation averaged between 29 and 32 each year. The average trustee gift increased from a low of \$11,000 in 2005 to a high of \$13,700 in 2009. The aggregate effect is that total trustee donations at Trend Theatres were at a low of \$33.7 million in 2006 and a high of \$44.3 million in 2008, ending the 5-year period at \$43.9 million in 2009.
- ◆ Growth in average gifts from other individuals (non-trustees) trailed inflation by 5.3% and covered 1.6% less total expenses in 2009 than in 2005. Aggregate other individual gifts increased from a low of \$74.5 million in 2006 to a high of \$82.8 million in 2009.
- ◆ Fewer individual donors contributed higher average gifts. The average number of other individual donors was at a 5-year low of 1,542 in 2008 and a high of 1,679 in 2005, 9 more donors than in 2009. There were only slight variations in the annual level of giving per donor. The average gift from other individuals increased from a low of \$421 in 2005 to a high of \$473 in 2008, ending the 5-year period at \$447.
- ◆ Fundraising event and guild income dipped 9.5% in 2009 after four years of steady increases. Overall, fundraising event and guild income increased each year and fell short of inflation by 2.5% over 5 years. As mentioned in the Expenses section above, it took 7 cents more to raise \$1 from special events in 2009 than it did in 2005.
- ◆ United Arts Funding rebounded in 2009 from its 5-year low in 2008. However, growth in United Arts Funding fell short of inflation by 12% and supported 0.1% less of expenses. Twelve theatres reported United Arts Funding in 2005 and 2006, dropping to 11 theatres in 2007 and 2008 and only 10 theatres in 2009.
- ◆ Average in-kind contributions expanded annually, reaching a 5-year high in 2009 and surpassing inflation by 33.4% and supporting 0.5% more of expenses. In-kind giving tends to increase in tough economic times, particularly for donors who want to support the arts but cannot give cash. Growth in in-kind giving from individuals, corporations and sheltering organizations all exceeded inflation over the 5-year period.
- ◆ Other Contributions (e.g., cash support from sheltering organizations such as universities or arts centers, or from service organizations) were flat in 2006 and 2007 then increased in 2008 and rose another 1.5% in 2009, for overall growth that exceeded inflation by 80% for the 5-year period. Each year, 8 to 11 theatres report funding from a sheltering organization.



BALANCE SHEET

The balance sheet depicts a theatre’s cumulative fiscal history and offers insights into long-term stability and overall fiscal health. Unlike the income statement, which gives a summary of income and expenses for the year, the balance sheet provides a snapshot of the value of a theatre’s assets, liabilities and net assets (unrestricted, temporarily restricted and permanently restricted) at the end of the fiscal year.

Theatres increase their assets through investments, acquisition of land, buildings, money, stocks, etc. and with CUNA. Each year, CUNA is added to the year’s beginning balance of unrestricted net assets to arrive at total unrestricted net assets. CUNA serves as the link between annual activity and the balance sheet, but the unrestricted net assets are only one of many components of a theatre’s financial picture.

Not every Trend Theatre responds to the Balance Sheet section of the survey; for example, theatres that are part of a sheltering organization do not keep a separate balance sheet. Of the 112 Trend Theatres, 103 are included in the balance sheet analyses. These theatres’ balance sheets demonstrate consistent growth in total assets over the past five years, averaging \$11.8 million per theatre in 2005 and \$15.7 million in 2009—23% growth after adjusting for inflation, despite a 5% drop in value from 2008 to 2009. Over the same period, however, growth in theatres’ liabilities outpaced inflation by 61%.

Table 9 presents the annual aggregate value of the different asset categories net of liabilities for the 103 Trend Theatres, along with the 1-year percentage changes, 4-year percentage changes and inflation-adjusted 4-year percentage changes, as well as the investment ratio over time, which we describe in detail below. We acknowledge the assistance of Cool Spring Analytics for recommending the balance sheet categories and ratios reported in this section. We see that growth in Trend Theatres’ aggregate total net assets—unrestricted, temporarily restricted and permanently restricted—outpaced inflation by 12% over the 5-year period, from \$943 million in 2005 to a high of \$1.25 billion in 2008, ending with \$1.15 billion in 2009, an 8% decrease from the prior year. The growth was predominantly driven by fixed assets.

	2005	2006	2007	2008	2009	1-yr. % chg.	4-yr. % chg.	4-yr. % chg. CGR*
Working Capital	\$ (89)	\$ (73)	\$ (73)	\$ (57)	\$ (201)	-256%	-127%	-137%
Fixed Assets	\$ 523	\$ 546	\$ 607	\$ 658	\$ 760	16%	45%	35%
Investments	\$ 350	\$ 396	\$ 449	\$ 518	\$ 421	-19%	20%	10%
Other Net Assets	\$ 159	\$ 198	\$ 214	\$ 129	\$ 172	33%	8%	-2%
Total Net Assets	\$ 943	\$ 1,067	\$ 1,197	\$ 1,248	\$ 1,152	-8%	22%	12%
Total Expenses	\$ 590	\$ 618	\$ 668	\$ 713	\$ 703	-1%	19%	9%
Investment Ratio	59%	64%	67%	73%	60%			

* Compounded Growth Rate adjusted for inflation.

Working capital, a fundamental building block of a theatre’s capital structure, consists of the unrestricted resources available to meet obligations and day-to-day cash needs. It is a better indicator of a theatre’s operating position than CUNA, which includes non-operating activity as noted on page 1. Negative working capital indicates that the theatre is borrowing funds (e.g., using deferred subscription revenue, delaying payables, taking out loans, etc.) to meet daily operating needs.

WORKING CAPITAL = TOTAL UNRESTRICTED NET ASSETS — FIXED ASSETS — UNRESTRICTED LONG-TERM INVESTMENTS

As noted in the Contributed Income section above, successful fundraising during prosperous times made it possible for theatres to raise and develop long-term investments and increase fixed assets but not acquire sufficient readily-available funds to help the theatres meet daily needs. Table 9 illustrates that working capital was negative in each of the five years; between 66 and 70 of the 103 Trend Theatres reported negative working capital annually. Working capital improved from 2005 through 2008 (i.e., became less negative) then plummeted in 2009 as theatres were left with little financial flexibility in the face of the economic downturn. Further investigation (not shown in the tables) revealed that total cash reserves, the unrestricted portion of which is part of working capital, were at their highest in 2007 and lowest in 2009. Theatres employed those reserves in 2008 and 2009, either out of necessity or because temporary restrictions were met. After adjusting for inflation, cash reserves were 25% lower in

2009 than in 2005. In Table 10, we use average figures to relate working capital to total expenses to create a working capital ratio, defined as:

$$\text{WORKING CAPITAL RATIO} = \text{WORKING CAPITAL} / \text{TOTAL EXPENSES}$$

TABLE 10: AVERAGE WORKING CAPITAL (103 Theatres)								
	2005	2006	2007	2008	2009	1-yr. % chg.	4-yr. % chg.	4-yr. % CGR*
Total Unrestricted Net Assets	\$5,110,006	\$5,577,023	\$6,220,222	\$6,764,489	\$5,898,239	-13%	15%	5%
Fixed Assets	5,078,031	5,304,608	5,891,199	6,387,680	7,381,684	16%	45%	35%
Unrestricted Investments	893,496	984,902	1,037,865	926,046	470,240	-49%	-47%	-57%
Working Capital	\$(861,520)	\$(712,487)	\$(708,842)	\$(549,237)	\$(1,953,685)	-256%	-127%	-137%
Total Expenses	\$5,731,419	\$6,001,243	\$6,483,206	\$6,922,748	\$ 6,821,526	-1%	19%	9%
Working Capital Ratio	-15%	-12%	-11%	-8%	-29%			

* Compounded Growth Rate adjusted for inflation.

The working capital ratio, or the proportion of unrestricted resources available to meet operating expenses, indicates how long a theatre could operate if it had to survive on current resources. A negative working capital ratio indicates that theatres are likely to be experiencing cash flow problems. The average Trend Theatre experienced a negative working capital ratio in each of the past five years, dropping to its lowest point in 2009. Annually, roughly two-thirds of Trend Theatres reported negative working capital. Cool Spring Analytics recommends that each theatre determine its own working capital needs based on its cyclical cash flow. In the absence of that determination, 25%, or three months of working capital, is a benchmark for adequate working capital to handle most cash flow fluctuations. Of the Trend Theatres, 9% met this benchmark in the past three years, whereas only 8% attained this level in 2005 and 7% in 2006.

Many capital campaigns raised funds to build new buildings, renovate existing facilities and purchase new equipment, as reflected in the increase in theatres' occupancy expenses, which account for roughly 9% of theatres' total expenses annually. Thirty-nine percent of Trend Theatres were in a capital campaign in 2009, the highest proportion of the 5-year period. In 2009, 24% reported that they completed a capital campaign within the last five years, the second lowest level of the 5-year period, indicating that fewer theatres were entering into capital campaigns in the last five years than in years prior. Six theatres fell into both categories as they transitioned from one capital campaign into another.

$$\text{FIXED ASSETS} = \text{TOTAL LAND} + \text{BUILDING} + \text{EQUIPMENT AT COST} - \text{ACCUMULATED DEPRECIATION}$$

Tables 9 and 10 both indicate that growth in total fixed assets (i.e., land, property and equipment less accumulated depreciation) surpassed inflation by 35%, driven by a 38% increase in the purchase cost of land and buildings before taking depreciation into account. The fixed asset growth has produced a steady increase in depreciation and occupancy/building and equipment maintenance costs. In 2006 and 2007, fixed assets accounted for 51% of total net assets and grew to 66% in 2009. Investments accounted for 37% of total net assets every year except 2008, when it made up 41% of the total (see Table 9).

In Table 9, we also relate investments to total expenses to form an investment ratio, defined as:

$$\text{INVESTMENT RATIO} = \text{TOTAL INVESTMENTS} / \text{TOTAL EXPENSES}$$

An increasing investment ratio over time is an indication of financial health because increases in invested capital generate income for operating purposes. Successful capital campaigns and wise investment strategies resulted in increasing investment ratios from 2005 to 2008, but the investment ratio dropped from 73% in 2008 to 60% in 2009, as shown in Table 9. Despite the 1-year decline in a poor investment climate, overall growth in investments exceeded inflation by 10% over the 5-year period. As illustrated in Table 10, the unrestricted portion of investments declined 57% in value from 2005 to 2009 in inflation-adjusted figures. Endowments make up part of theatres' investments, and their growth trailed inflation by 10% over the 5-year period.



ATTENDANCE, PERFORMANCE AND PRICING TRENDS

We now move from financial trends to a detailed examination of operating trends, including attendance levels, number of performances, ticket prices and subscription renewal rates. Table 11 displays aggregate attendance levels and Table 12 shows the number of performances at the 112 Trend Theatres. These two tables demonstrate that Trend Theatres saw declining audiences despite little change in the number of performances between 2005 and 2009.

For the 112 Trend Theatres:

- ◆ Total attendance—including resident productions and tours—declined 5.7% to its lowest level in 2009 while the total number of performances remained fairly unchanged from 2005 to 2009. The attendance drops were annual while the number of performances offered fluctuated.
- ◆ The overall 3% increase in the number of resident performances was met with a 3.1% decrease in attendance. In 2009, more resident performances were offered yet attendance was lower than in other years.
- ◆ Attendance at main series productions fluctuated from year-to-year between 76% and 82% of total attendance.
- ◆ Main series attendance was at its lowest 5-year level in 2009, a 4.8% drop from 2008. The number of main series performances offered was at its highest in 2007.

TABLE 11: AGGREGATE ATTENDANCE (112 Theatres)

	2005	2006	2007	2008	2009	1-yr. % chg.	4-yr. % chg.
Main Series (total)	7,978,339	8,207,803	8,263,768	8,350,510	7,947,511	-4.8%	-0.4%
Special Productions	821,671	786,057	786,251	715,131	647,550	-9.5%	-21.2%
Children's Series	367,524	372,297	390,070	310,867	321,007	3.3%	-12.7%
Staged Readings/Workshops	34,433	33,105	27,897	31,494	34,734	10.3%	0.9%
Other	121,299	96,956	130,392	113,620	124,547	9.6%	2.7%
Booked-In Events**	255,614	279,040	257,951	164,583	206,505	25.5%	-19.2%
Resident Subtotal	9,578,880	9,775,258	9,856,329	9,686,205	9,281,854	-4.2%	-3.1%
Touring	878,686	680,069	560,001	545,459	579,058	6.2%	-34.1%
Total	10,457,566	10,455,327	10,416,330	10,231,664	9,860,912	-3.6%	-5.7%

** Trend skewed by two theatres' exceptional activity.

TABLE 12: AGGREGATE NUMBER OF PERFORMANCES (112 Theatres)

	2005	2006	2007	2008	2009	1-yr. % chg.	4-yr. % chg.
Main Series (total)	25,693	25,799	26,554	26,311	26,468	0.6%	3.0%
Special Productions	2,262	2,251	2,152	2,169	2,243	3.4%	-0.8%
Children's Series	1,382	1,526	1,682	1,628	1,276	-21.6%	-7.7%
Staged Readings/Workshops	401	392	336	367	360	-1.9%	-10.2%
Other	1,016	767	915	938	959	2.2%	-5.6%
Booked-In Events**	797	1,388	1,385	868	1,198	38.0%	50.3%
Resident Subtotal	31,551	32,123	33,024	32,281	32,504	0.7%	3.0%
Touring	3,400	3,125	3,120	2,814	2,444	-13.1%	-28.1%
Total	34,951	35,248	36,144	35,095	34,948	-0.4%	0.0%

** Trend skewed by two theatres' exceptional activity.

Figure 5 presents a graphical depiction of attendance and performance trends for non-main series resident activities.

For the 112 Trend Theatres:

- ◆ Children’s series performances were at their lowest 5-year level in 2009 while children’s series attendance had an uptick in 2009 after a 5-year low in 2008. Overall, there was a 7.7% decrease in the number of children’s series performances offered and a corresponding 12.7% drop in attendance from 2005 to 2009.
- ◆ Performances of and attendance at special productions (e.g., non-subscription holiday productions) peaked in 2005. In 2009, the number of special production performances was only slightly lower than in 2005 while attendance was down 21.2%.
- ◆ Over the 5-year period, the number of staged readings and workshop performances decreased 10.2% while attendance at these performances rose 0.9%, peaking in 2009.
- ◆ After dipping in 2008, booked-in offerings increased by 38% and attendance increased 25.5% in 2009. Over the 5-year period, the number of booked-in performances rose 50.3% while attendance dropped 19.2%.

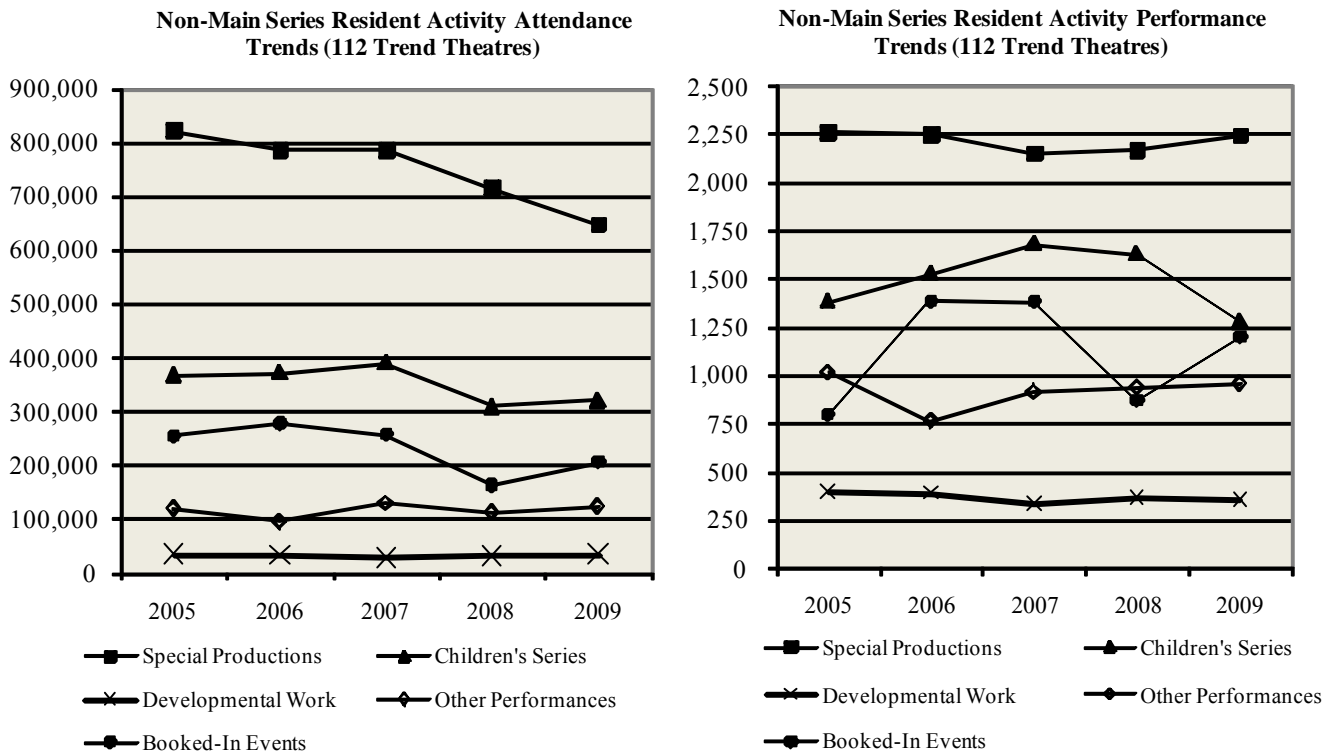
performances varies considerably and the available aggregate capacity shifts, too, making it difficult to draw conclusions about trends in booked-in event capacity utilization. For example, one theatre booked in 200 to 460 performances in 2005 through 2007 but reported no booked-in performances in 2008 and 2009. Another theatre reported 233 booked-in performances in 2006, 188 in 2007, dropped to only 65 in 2008, then increased to 167 in 2009.

- ◆ Annual decreases in tour performances amounted to a 28.1% drop overall for the 5-year period, which was accompanied by a 34.1% decrease in tour attendance. Whereas touring represented 10% of total performances and 8% of total attendance in 2005, by 2009 it added up to 7% of total performances but only 6% of total attendance.

Unlike mainstage productions which remain fairly consistent across theatres over time, tour productions fluctuate considerably depending on how many theatres toured in a given year, how many performances they gave and where they performed. The number of theatres reporting touring decreased annually from 35 in 2005 to 23 in 2009.

Figure 5 illustrates dramatic shifts in booked-in activity over time. The annual mix of theatres booking in

FIGURE 5: NON-MAIN SERIES RESIDENT ACTIVITY ATTENDANCE AND PERFORMANCE TRENDS



We take a closer look at industry averages for production and marketing activity in Table 13 in order to gain deeper insight into some of the factors driving the trends in attendance, performances and earned income.

TABLE 13: INDUSTRY AVERAGES (112 Trend Theatres)								
	2005	2006	2007	2008	2009	1-yr. chg.	4-yr. chg.	4-yr. % CGR*
Subscription Renewal Rate	70%	72%	73%	73%	72%			
High Subscription Discount	39.8%	38.5%	38.8%	40.5%	39.2%			
Low Subscription Discount	12.6%	12.4%	11.6%	11.9%	11.5%			
Subscription Price (per ticket)	\$27.33	\$27.82	\$29.23	\$30.11	\$31.24	4%	14%	4%
Single Ticket Price	\$26.53	\$28.55	\$29.34	\$31.11	\$31.80	2%	20%	10%
Number of Ticket Packages Offered	6.8	6.3	5.9	6.3	6.2	0%	-9%	
Number of Subscribers/Season Ticket Holders	7,524	7,211	7,197	7,002	6,451	-8%	-14%	
Subscription Tickets (#subscribers x #tickets/package sold)	37,060	36,184	36,963	35,050	33,541	-4%	-9%	
Single Tickets	45,577	47,331	50,277	50,491	48,595	-4%	7%	
Total In-Residence Paid Capacity Utilization	72%	73%	73%	73%	71%			
Subscriber Capacity Utilization	28%	27%	27%	26%	26%			
Number of Main Series Performances	229	230	237	235	236	1%	3%	
Number of Main Series Productions	7	7	7	7	7	2%	5%	
Number of Performance Weeks	34	34	35	34	33	-1%	-1%	
Number of Actor Employment Weeks (sum of # weeks each actor employed)	543	534	541	533	522	-2%	-4%	
*Compounded Growth Rate adjusted for inflation.								

For the 112 Trend Theatres:

- ◆ The in-residence paid capacity utilization was at its lowest level of the 5-year period in 2009, echoing the trend reported above of decreased attendance despite a similar number of performances offered.
- ◆ There were fewer subscribers annually and fewer seats filled by subscribers over time. The proportion of available seats occupied by subscribers decreased from 28% in 2005 to 26% in 2009. The average number of plays purchased per subscription package sold was approximately 5 each year. Between 2005 and 2009, the average number of season ticket holders declined 14% while the average subscription renewal rate fluctuated between 70% and 73%.
- ◆ Theatres do not offer all resident productions on subscription. If we focus only on capacity of productions offered on subscription, subscribers filled 36% of their potential in 2005, decreasing to 34% in 2008 and 2009.
- ◆ From 2005 to 2009, the average price per subscription ticket rose annually, for an overall increase 4% above the rate of inflation. The lowest average subscription package discount decreased from 12.6% to 11.5% and the deepest discount peaked in 2008 for the 5-year period. Theatres are raising subscription prices and discounting less.
- ◆ The number of single ticket buyers rose steadily from 2005 to 2008 then dropped 4% in 2009. Overall, the number of single ticket buyers was 7% higher in 2009 than in 2005. From 2005 through 2008, single ticket buyers filled an increasing proportion of total paid capacity utilization, as the proportion filled by subscribers decreased. In 2009, overall capacity utilization was down and the capacity filled by subscribers was at its 2008 level.
- ◆ The total number of actor employment weeks fluctuated over time but was at its lowest level in 2009, likely a factor of the drop in the average number of performance weeks per year, which was also at a 5-year low in 2009.

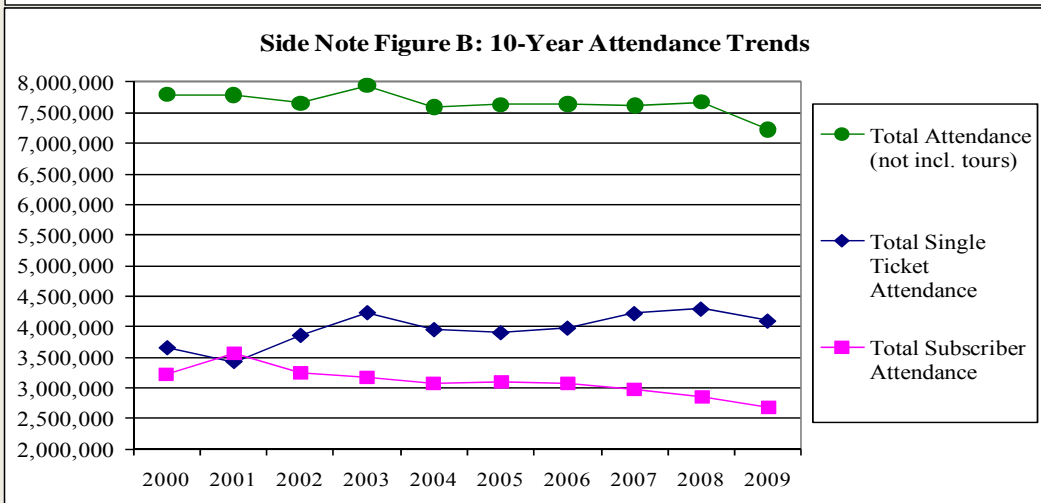
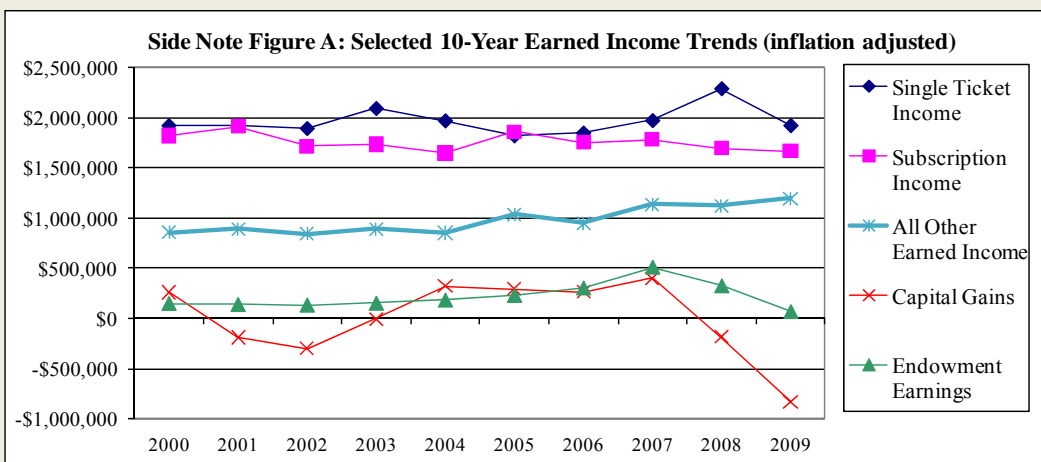
Side Note: A 10-Year View

Sixty-six theatres have participated in the TCG Fiscal Survey each year since 2000. These theatres tend to be significantly larger than the rest of the Trend Theatres, with total expenses averaging \$8.9 million in 2009 compared to \$5.6 million for the average Trend Theatre. The historical activity for this group sometimes belies the trends reported in the section above because smaller theatres are underrepresented in this mix. Some key trends for this subset of larger theatres provide a longer-term perspective.

For the 66 Theatres:

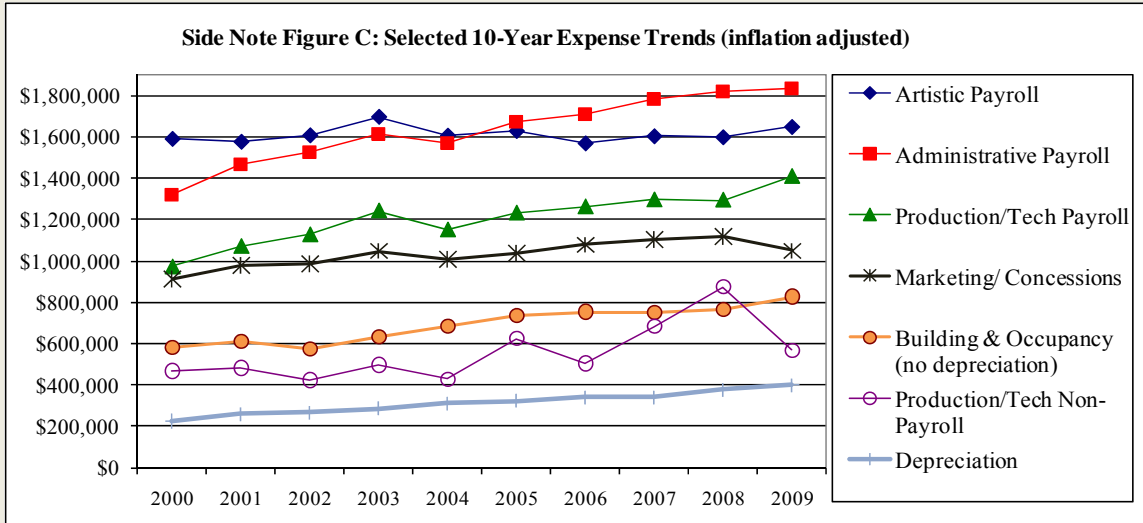
Earned Income and Attendance

- Growth in subscription income fell short of inflation by 11% (see Side Note Figure A). Subscription renewals averaged 70% to 76% annually over the 10-year period, ending at 73% in 2009. Total subscription packages sold and total subscriber attendance, both of which were at a 10-year high in 2001 (see Side Note Figure B) were at their lowest in 2009, with 26% and 16% declines, respectively, over the period.
- Single ticket income growth paralleled inflation despite more aggressive growth between 2005 and 2008 (see Side Note Figure A). Average single ticket attendance increased 12% over time, with a low of 52,700 in 2001 and a high of 66,000 in 2007 (see Side Note Figure B). Average single ticket income exceeded average subscription income in all years except 2001 and 2005.
- Total attendance (not including tours) fell 7% over the 10-year period. Side Note Figure B highlights how the spikes in total attendance were driven by the upticks in single ticket attendance that counterbalanced the drops in subscription attendance in 2003 and 2008.
- From 2003 through 2007, endowment earnings shot up dramatically then dropped off over the past two years (Side Note Figure A). After adjusting for inflation, endowment earnings were 67% lower in 2009 than in 2000.
- Capital gains and losses fluctuated dramatically over time, reflecting the 10-year highs and lows of the stock market as well as the addition of assets (see Side Note Figure A). Between 22% and 39% of theatres were in a capital campaign each year.
- All other earned income rose fairly steadily, outpacing inflation by 15% over the 10-year period.
- Overall, earned income growth fell short of inflation by 25%.



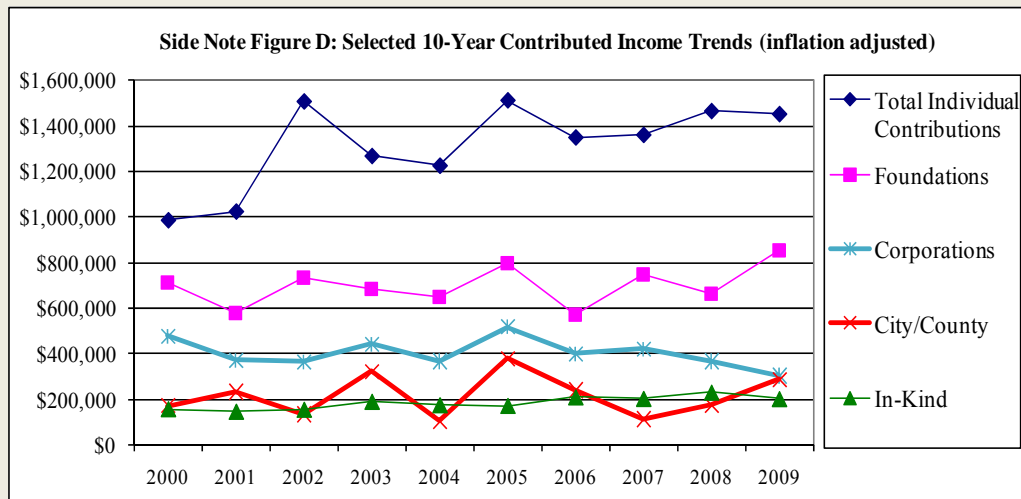
Expenses (See Side Note Figure C)

- Over the 10-year period, growth of artistic payroll exceeded inflation by 5%. Administrative and production payroll growth patterns were similar to each other, outpacing inflation by 49% and 56%, respectively. As a result, average administrative payroll surpassed average artistic payroll in 2005, and the gap between average production payroll and artistic payroll narrowed considerably.
- Of non-payroll expenses, depreciation (the value of capital expenses amortized annually), occupancy (building, equipment and maintenance costs), production/technical (production materials and rentals) and marketing saw substantial increases, rising 96%, 53%, 27% and 18% respectively in inflation-adjusted figures. Physical production expenses had an upward trend from 2004 to 2008, dipping a bit in 2006, and then they dropped significantly in 2009.
- Overall expense growth exceeded inflation by 31%.
- If we take inflation into account, only ten theatres had greater buying power at the end of the 10-year period than at its start.



Contributed Income (See Side Note Figure D)

- Average individual contributions increased 59% more than the rate of inflation. Individual contributions rose sharply in 2002, fell in 2003 and 2004, spiked again in 2005, dipped for two years, rebounded in 2008 and remained fairly flat in 2009.
- Foundation funding fluctuated, hitting peaks in 2002, 2005, 2007 and 2009.
- Corporate giving trailed inflation by 45%. Corporate funding has been on a downward trend since 2005.
- Local funding was erratic, ending the period 84% higher in inflation-adjusted dollars. Spikes were tied to capital campaigns.
- In-kind contributions trended upward, growing 36% over the 10-year period after adjusting for inflation.
- Growth in contributed income outpaced inflation by 30% but total income growth trailed inflation by 3%.
- Expense growth exceeded income growth, leaving the 10-Year Trend Theatres with negative CUNA in 2008 and 2009. CUNA varied in proportion to expenses, from a high of 13.5% in the strong economy of 2000 to a low of -11.5% in 2009.



Balance Sheet

Sixty of the sixty-six 10-Year Trend Theatres completed the balance sheet section of the survey annually.

For these 60 theatres:

- In 2009, total assets were 79% greater than their 2000 level after adjusting for inflation: a collective \$655 million in 2000 compared to \$1.3 billion in 2009. In inflation-adjusted figures, the value of investments increased by 49% and fixed assets more than doubled in value over the 10-year period.
- Over the 10-year period, growth in net assets outpaced inflation by 60% and liabilities were two and a half times their magnitude in 2009 as compared to 2000 after adjusting for inflation. Total net assets were the equivalent of 78% of total assets in 2000 whereas they represented only 71% in 2009.
- The investment ratio increased over time, from 65% in 2000 to 72% in 2009, peaking at 87% in 2008. Unrestricted endowments lost half of their aggregate value from 2008 to 2009. The result for the 10-year period was an inflation-adjusted 32% loss in unrestricted endowment value.
- Average working capital fluctuated considerably, with a low of -\$2.2 million in 2009 (an average -24% working capital ratio) and a high of \$68,000 in 2001 (an average 1% working capital ratio).



PROFILED THEATRES

The Profiled Theatres section provides a detailed look at the 180 theatres that completed TCG Fiscal Survey 2009. We examine the same details covered in the Trend Theatres section—i.e., earned income, expenses, contributed income, CUNA, balance sheet ratios, attendance, performance and pricing. Since different theatres respond to the full survey from year to year, we avoid making comparisons to Profiled Theatres of years past.

Each section begins with a brief overview of aggregated, industry-wide activity. We then break down information into Budget Group Snapshots, which provide income, expense, attendance and performance details for the Profiled Theatres organized into six budget groups. Budget Group Snapshots reveal how different size theatres have distinctive needs and operating practices.

In 2009, the Profiled Theatres' budget size ranged from \$172,000 to \$53 million, with the average budget equal to \$5.4 million. Several large theatres skew the average budget size. If we look at the median instead of the arithmetic mean, the midpoint in the budget range is \$2.9 million. We continue to refer to the arithmetic mean when we talk about the 'average' in this report.

The chart to the right shows the budget ranges and the number of theatres for each group. Three quarters of Profiled Theatres are resident in urban areas, 20% exist in suburban communities and 5% are located in rural areas. Theatres of all sizes can be found in each type of community.

Collectively, the Profiled Theatres encountered a negative bottom line in 2009, with Group 2, 5 and 6 Theatres averaging negative CUNA. This is largely driven by pervasive capital losses, particularly among Group 5 and 6 Theatres. Only four of the twenty-eight Group 6

Theatres and eleven of the thirty-four Group 5 Theatres ended the year in the black. Eliminating capital gains/losses from the analyses would still leave CUNA in negative territory, but to a far lesser extent. However, since realized and unrealized capital gains are part of the FASB reporting structure, we include them in these analyses. In years of a robust economy, capital gains bolster theatres' bottom lines.

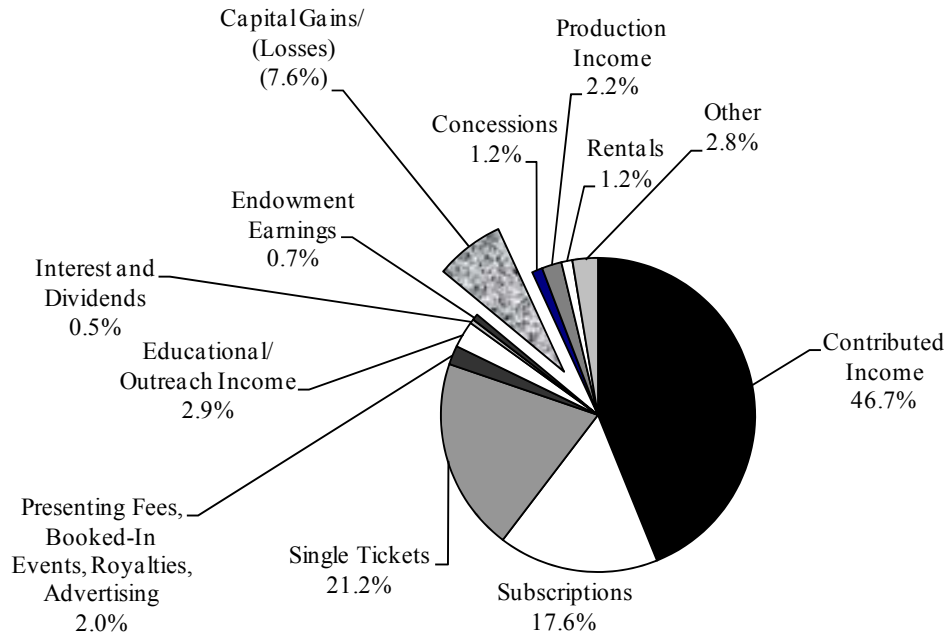
2009 PROFILED THEATRES (180 Theatres)		
Budget Group	Number of Theatres	Budget Size
6	28	\$10 million or more
5	34	\$5 million - \$9,999,999
4	25	\$3 million - \$4,999,999
3	47	\$1 million - \$2,999,999
2	28	\$500,000 - \$ 999,999
1	18	\$499,999 or less



EARNED INCOME

Figure 6 presents earned income details as a percentage of expenses for Profiled Theatres. Overall, earned income financed 44.7% of total expenses and contributed income financed 46.7% of total expenses, which adds to 91.4% because total income fell short of total expenses by 8.6%, leaving theatres with negative CUNA, on average. Income from ticket sales represented 88% of total earned income and supported over 39% of all expenses. Single ticket income was the largest source of earned income and funded 21.2% of expenses. Capital losses, represented by the extracted pie piece in Figure 6, were the norm, collectively reducing aggregate earned income by 7.6%.

FIGURE 6: INCOME AS A PERCENTAGE OF EXPENSES WITH EARNED INCOME DETAIL *



*Percentages total 91.4% because total expenses exceeded total income by 8.6%.

Collectively, the 180 Profiled Theatres:

- ◆ Earned income in excess of \$435 million, with \$384 million coming from ticket sales. Earned income per theatre averaged \$2.4 million.
- ◆ Attracted 6.9 million single ticket buyers and 843,000 subscribers/season ticket holders representing 4.4 million seats occupied by subscribers in 2009. Group sales and pick-and-choose vouchers accounted for 9% and 2% of single ticket sales, respectively. Flexible subscriptions represented 8.6% of subscription income.
- ◆ Earned more than \$114 million from activities other than selling tickets.
- ◆ Produced over 4,600 touring performances that collected \$4.9 million in fees.
- ◆ Offered approximately 1,300 education and outreach programs that served an audience of 2.7 million people and generated \$29 million in income.
- ◆ Received \$21 million in production income, with 28% of that amount coming from one theatre. Forty-three theatres received production income; 23 reported co-production income, 12 reported enhancement income and 8 reported both.
- ◆ Produced 247 world premieres and earned \$5.9 million from 401 royalty properties for an average of \$14,800 per property. One theatre with only two properties earned half of all income from royalties and subsidiary rights.
- ◆ Earned \$11.3 million from concessions, a similar amount from rental fees and \$27 million from other activities such as ticket handling and special projects.
- ◆ Lost \$62 million overall in investment instrument income.
- ◆ Earned \$4.5 million from interest and dividends; \$650,000 was generated by temporarily restricted funds.

Collectively, the 180 Profiled Theatres:

- ◆ Earned \$6.6 million from endowments, with earnings ranging from -\$3.7 million to \$3.3 million, meaning that one theatre accounted for half of all endowment earnings. Forty-five theatres provided information about the proportion of total endowment earnings used to support operating expenses (i.e., the endowment draw). The endowment draw was greater than the endowment earnings for 16 theatres, 27 theatres drew an amount equal to the endowment earnings and 2 theatres drew below endowment earnings.
- ◆ Recognized \$73 million in realized and unrealized capital losses from unrestricted investments, ranging from -\$11 million to \$2.3 million. Eighty-seven theatres provided additional information regarding investment income from savings, endowment draw and gains/losses on non-endowment investments that was used to support expenses. Despite reporting total realized and unrealized investment losses of -\$47 million, these theatres used \$21 million of investment income to support operations.



BUDGET GROUP SNAPSHOT: EARNED INCOME

We now examine average earned income dollar figures for all Profiled Theatres and each budget group. Table 14 provides average dollar figures for each earned income line item and Table 15 reports each line item as a percentage of total expenses.

These tables suggest two general observations: (1) larger theatres rely more on ticket income to support expenses; as shown in Table 15, Group 6 Theatres support 42.2% of all expenses with ticket income, whereas this figure is only 20.5% for Group 1 Theatres; and (2) larger theatres also rely more on subscription income to support expenses; as illustrated in Table 15, Group 1 and 2 Theatres experience far lower subscription income relative to expenses than the industry average.

	All Theatres	Group 6	Group 5	Group 4	Group 3	Group 2	Group 1
Number of Theatres	180	28	34	25	47	28	18
Subscriptions	\$ 950,655	\$ 3,556,381	\$ 1,302,367	\$ 565,458	\$ 257,134	\$ 28,737	\$ 12,905
Single Ticket Income	1,147,061	4,289,187	1,264,883	789,984	402,727	128,437	60,759
Booked-In Events	34,073	80,595	64,907	49,228	8,619	1,008	317
Total Ticket Income	\$ 2,131,789	\$ 7,926,164	\$ 2,632,157	\$ 1,404,670	\$ 668,480	\$ 158,182	\$ 73,981
Tour Contracts/Presenting Fees	27,493	38,879	19,421	20,747	35,022	35,116	2,882
Educational/Outreach Income	160,471	328,488	304,444	122,638	75,246	83,915	21,330
Royalties	33,002	175,632	19,425	10,509	1,551	247	1,088
Concessions	62,798	193,479	92,076	65,482	15,642	11,704	3,093
Production Income	117,845	648,990	65,961	9,774	9,001	3,673	1,521
Advertising	18,234	33,750	27,755	21,311	15,574	3,554	1,623
Rentals	64,943	235,537	79,580	36,878	21,033	16,063	1,596
Other	151,054	575,017	145,660	176,060	33,224	4,245	3,047
Total Other Earned Income	\$ 635,839	\$ 2,229,771	\$ 754,322	\$ 463,400	\$ 206,293	\$ 158,518	\$ 36,180
Interest and Dividends	24,867	112,529	15,228	15,469	6,781	2,899	1,164
Endowment Earnings	36,575	179,912	1,421	32,008	14,608	258	204
Capital Gains/(Losses)	(409,260)	(2,400,713)	(177,629)	3,254	(8,103)	(1,130)	(4,243)
Total Investment Income	\$ (347,818)	\$(2,108,272)	\$ (160,981)	\$ 50,731	\$ 13,287	\$ 2,027	\$ (2,876)
Total Earned Income	\$ 2,419,810	\$ 8,047,663	\$3,225,499	\$ 1,918,801	\$ 888,059	\$ 318,727	\$ 107,285

Other observations for the 180 Profiled Theatres:

- ◆ Group 3, 4 and 5 Theatres covered roughly 37% of expenses with ticket income.
- ◆ Average single ticket income exceeded subscription income for every budget group except Group 5.

- ◆ One large Group 6 Theatre does not offer subscriptions, skewing the single ticket average for the group. Excluding this theatre would still leave Group 6's average single ticket income slightly higher than its subscription income.
- ◆ More than half of the income from booked-in productions was earned by one theatre in each of Groups 1, 2 and 3.
- ◆ Group 2 Theatres earn the highest proportion of income from presenter fees and tour contracts (Table 15), and more Group 2 Theatres report activity in this area as compared to theatres in other groups. Group 5 Theatres report the second lowest average income from touring and presenter fees (Table 14).
- ◆ Proportionally, Group 2 Theatres earn more income from education/outreach activities than theatres in other groups and Group 6 Theatres less (Table 15). However, ten Group 2 Theatres report no education/outreach income whereas this was the case for only three Group 6 Theatres.
- ◆ Group 6 Theatres support more expenses than other groups with endowment earnings, followed closely by Group 4 Theatres, as Table 15 shows. At least one theatre in every group reported endowment earnings.
- ◆ While all but Group 4 Theatres averaged capital losses, they were most severely felt by Group 6 Theatres, whose losses are equivalent to 12.8% of their total expenses. No Group 6 Theatre reported capital gains; the highest reported was 0 and the lowest was -\$11 million. Fourteen Group 6 Theatres had losses in excess of \$1 million, with two exceeding \$10 million. Only one Group 5 Theatre reported capital gains.
- ◆ Only Group 4 Theatres averaged capital gains, with four theatres reporting gains that exceeded the losses reported by six theatres in the group.
- ◆ One theatre was responsible for all of Group 1's production income and another earned 97% of the group's royalty income.
- ◆ Group 6 Theatres earned proportionally more than other groups from production income, as illustrated in Table 15. Sixty-four percent of Group 6 Theatres report income either from co-productions with other not-for-profit theatres, productions enhanced by for-profit entities for commercial presentation or both.
- ◆ As illustrated in Table 15, Group 3 Theatres support more expenses with income from advertising than do other groups, and Group 4 Theatres earn proportionally more from other earned income sources such as ticket handling, insurance claims and special projects.

TABLE 15: AVERAGE EARNED INCOME AS A PERCENTAGE OF EXPENSES

	All Theatres	Group 6	Group 5	Group 4	Group 3	Group 2	Group 1
Number of Theatres	180	28	34	25	47	28	18
Subscriptions	17.6%	18.9%	18.1%	15.1%	14.6%	4.0%	3.6%
Single Ticket Income	21.2%	22.8%	17.5%	21.1%	22.8%	17.9%	16.8%
Booked-In Events	0.6%	0.4%	0.9%	1.3%	0.5%	0.1%	0.1%
Total Ticket Income	39.4%	42.2%	36.5%	37.4%	37.9%	22.0%	20.5%
Tour Contracts/Presenting Fees	0.5%	0.2%	0.3%	0.6%	2.0%	4.9%	0.8%
Educational/Outreach Income	2.9%	1.7%	4.2%	3.3%	4.3%	11.7%	5.9%
Royalties	0.6%	0.9%	0.3%	0.3%	0.1%	0.0%	0.3%
Concessions	1.2%	1.0%	1.3%	1.7%	0.9%	1.6%	0.9%
Production Income	2.3%	3.5%	0.9%	0.3%	0.5%	0.5%	0.4%
Advertising	0.3%	0.2%	0.4%	0.6%	0.9%	0.5%	0.4%
Rentals	1.2%	1.3%	1.1%	1.0%	1.2%	2.2%	0.4%
Other	2.8%	3.1%	2.0%	4.7%	1.9%	0.6%	0.8%
Total Other Earned Income	11.7%	11.9%	10.5%	12.4%	11.7%	22.1%	10.0%
Interest and Dividends	0.5%	0.6%	0.2%	0.4%	0.4%	0.4%	0.3%
Endowment Earnings	0.7%	1.0%	0.0%	0.9%	0.8%	0.0%	0.1%
Capital Gains/(Losses)	-7.6%	-12.8%	-2.5%	0.1%	-0.5%	-0.2%	-1.2%
Total Investment Income	-6.4%	-11.2%	-2.2%	1.4%	0.8%	0.3%	-0.8%
Total Earned Income	44.7%	42.8%	44.7%	51.1%	50.3%	44.4%	29.7%



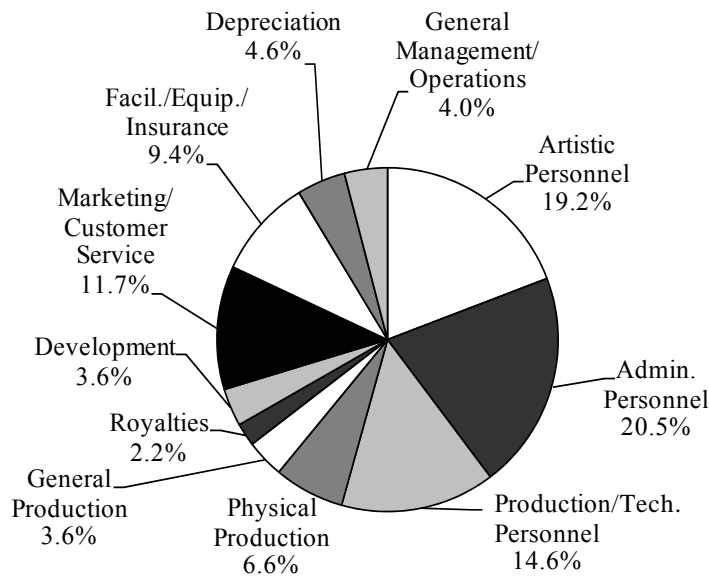
EXPENSES

Profiled Theatres' expenses are detailed in Figure 7. Fifty-four percent of total expenses—over half a billion dollars in total—goes to compensation: artistic (19.2%), administrative (20.5%) and production payroll (14.6%). These figures include salaries, taxes, health insurance, welfare and retirement payments. If one also considers payment to authors in the form of royalties, this figure exceeds \$550 million, roughly 56.5% of total expenses.

Theatres provide not only artistry for their communities; the labor-intensive nature of the art form ensures that theatres also preserve the livelihood of cultural workers.

In total, the Profiled Theatres contributed \$975 million to the U.S. economy in 2009 in direct payment for goods and services. Direct production expenses—artistic and production payroll, royalties, general production expenses (artist housing and travel, designer expenses, etc.) and production materials (including production management expenses)—came to \$450 million, representing 46% of all expenses. And Profile Theatres expensed nearly \$131 million in occupancy/building/equipment maintenance and other administrative costs such as office supplies and audit fees, representing 18% of all expenses.

FIGURE 7: BREAKDOWN OF EXPENSES



Collectively, the 180 Profiled Theatres:

- ◆ Tend to rent rather than own their spaces. Only 39% own their own theatre space, 52% rent and 9% operate out of donated theatre space; 39% own their office space, 50% rent and 11% have office space donated.
- ◆ Paid over \$21 million in royalties for 1,170 properties—an average of \$18,100 per property.
- ◆ Recognized nearly \$45 million in depreciation, the annual decrease in the book value of property and equipment.
- ◆ Allocated 8% of development expenses, 6% of marketing expenses and 16% of general management expenses for professional fees for independent contractors or consultants.

As detailed in Table 16, the 180 Profiled Theatres also:

- ◆ Spent 23 cents to produce every dollar of single ticket income but only 13 cents for every subscription dollar earned.
- ◆ Disbursed 31 cents to bring in every dollar of ticket income, inclusive of salaries and benefits paid to marketing personnel.
- ◆ Paid 4 cents to generate every dollar of contributed income not associated with fundraising events and considering only non-personnel expenses. If we add in all development costs including staff compensation and fundraising event expenses, and we consider all contributed income, we see that total development expenses are 15 cents for every dollar donated.
- ◆ Spent 78 cents to bring in each dollar of education and outreach income. This figure takes into account income earned from education and outreach activities, such as contract fees received for adult access programs and training programs, as well as

contributed income that supports education and outreach programs. It includes education and outreach personnel salaries and benefits but does not include development costs associated with grant writing for education or outreach funding. Of the 78 cents, 53 go to salaries and 25 to items such as study guides, promotional materials, etc.

TABLE 16: PROFILED THEATRES ADMINISTRATIVE EXPENSE INDEX	<ul style="list-style-type: none"> ▶ Single ticket marketing expense to single ticket income (excludes personnel expense): 23% ▶ Subscription marketing expense to subscription income (excludes personnel expense): 13% ▶ Total marketing expense to total ticket sales (includes personnel expense): 31% ▶ Development expense (excludes personnel expense and fundraising event expenses) to total unrestricted contributed income (excludes fundraising event income): 4% ▶ Fundraising event expense to fundraising event income (excludes personnel expense): 39% ▶ Total development expense to total unrestricted contributed income (includes fundraising event expense and personnel expense): 15% ▶ Total development expense (includes fundraising event expense, personnel expense) to total contributed income (includes unrestricted, temporarily restricted and permanently restricted contributed income): 15% ▶ Education/outreach expense to total education/outreach income (excludes personnel expense, includes both earned and contributed income): 25% ▶ Total education/outreach expense to total education/outreach income (includes personnel expense and both earned and contributed income): 78%
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BUDGET GROUP SNAPSHOT: EXPENSES

Table 17 shows average expense figures for all Profiled Theatres and for each budget group. In Table 18, we show key personnel and non-personnel expenses allocated by administrative department. Table 19 presents each expense line item as a percentage of total expenses.

TABLE 17: AVERAGE EXPENSES							
	All Theatres	Group 6	Group 5	Group 4	Group 3	Group 2	Group 1
Number of Theatres	180	28	34	25	47	28	18
Artistic Payroll	\$ 1,039,355	\$ 3,406,830	\$ 1,243,498	\$ 841,751	\$ 443,835	\$ 196,909	\$ 110,901
Administrative Payroll	1,113,506	3,744,389	1,544,759	833,266	351,687	159,712	68,528
Production/Technical Payroll	789,261	3,040,184	1,027,322	441,214	203,161	39,550	18,138
Total Payroll	\$ 2,942,121	\$ 10,191,403	\$ 3,815,579	\$ 2,116,231	\$ 998,683	\$ 396,171	\$ 197,566
General Artistic Non-Payroll	194,791	703,561	248,640	136,279	53,840	25,995	13,529
Royalties	117,391	336,153	193,881	101,127	47,504	9,701	5,200
Production/Technical Non-Payroll (physical production)	359,781	1,453,819	383,852	188,737	107,946	28,434	23,038
Development/Fundraising	193,601	673,517	257,042	147,615	53,486	26,796	16,434
Marketing/Customer Service/Concessions	632,600	2,170,177	859,243	429,334	218,729	77,000	39,954
Occupancy/Building/Equipment/Maintenance	507,191	1,586,111	842,689	315,882	155,941	81,664	39,945
Depreciation	249,037	952,372	334,635	163,231	43,398	21,002	4,121
General Management/Operations	219,439	731,743	273,283	153,162	86,475	51,439	21,390
Total Expenses	\$ 5,415,953	\$ 18,798,856	\$ 7,208,843	\$ 3,751,597	\$ 1,766,001	\$ 718,201	\$ 361,179

If we combine personnel and non-personnel program costs allocated to the various administrative departments (see Table 18), we find that Profiled Theatres spent an average of \$391,263 on development, \$654,644 on marketing, \$249,174 on front-of-house (including box office, house management and concessions) and \$199,591 on education. It is interesting to note that theatres tend to spend more on non-personnel expenses with respect to marketing than they do on marketing staff regardless of budget size, whereas staff compensation is the larger allocation of total front-of-house and education/outreach expenses, with a

few exceptions in the case of smaller theatres that likely utilize more volunteers. Development tends to be fairly evenly split between personnel and non-personnel expenses for Group 3 Theatres and larger (see Table 18).

TABLE 18: SELECTED AVERAGE ADMINISTRATIVE EXPENSES: PERSONNEL AND NON-PERSONNEL

	All Theatres	Group 6	Group 5	Group 4	Group 3	Group 2	Group 1
Development/Fundraising Personnel	\$ 197,662	\$ 669,335	\$ 261,551	\$ 164,994	\$ 67,096	\$ 17,302	\$ 10,123
Non-personnel Development Expenses	193,601	673,517	257,042	147,615	53,486	26,796	16,434
Marketing Personnel	183,755	642,312	262,457	124,646	54,531	13,340	6,384
Non-personnel Marketing Expenses	470,889	1,665,698	639,758	292,388	152,654	50,165	26,652
Front-of-House Personnel	151,322	568,052	191,914	105,826	40,769	7,848	1,437
Non-personnel Front-of-House Expenses	97,852	338,855	115,752	82,785	36,437	10,995	5,548
Education Programs/Outreach Personnel	135,733	383,175	228,916	118,103	37,197	38,687	7,547
Non-personnel Education/Outreach Expenses	63,858	165,624	103,732	54,161	29,638	15,840	7,755

For the 180 Profiled Theatres, as detailed in Table 19:

- ◆ Smaller theatres—especially Group 1 Theatres—tend to spend a larger proportion of budget on artists.
- ◆ Group 1 and 2 Theatres spend far less of their resources on production payroll relative to Group 5 and 6 Theatres.
- ◆ Total payroll as a percentage of total expenses is highest for Group 3 and 4 Theatres.
- ◆ Group 6 Theatres spend proportionally more than other budget groups on physical production expenses, and Group 2 Theatres proportionally less.
- ◆ Mid-sized theatres spend slightly more than other groups on royalties.
- ◆ Group 1, 2 and 5 theatres spend a greater proportion of their budget on occupancy expenses related to facilities, whereas Group 3, 4 and 6 Theatres spend proportionally less on this area.
- ◆ Group 4 Theatres are much more likely to own their stage. Fifty-six percent of Group 4 Theatres own their own theatre as compared to only two Group 1 Theatres. Group 1 Theatres report only 1% of total expenses as depreciation.
- ◆ Smaller theatres spend more of their budgets on general management expenses and operations.

TABLE 19: AVERAGE EXPENSES AS A PERCENTAGE OF TOTAL EXPENSES

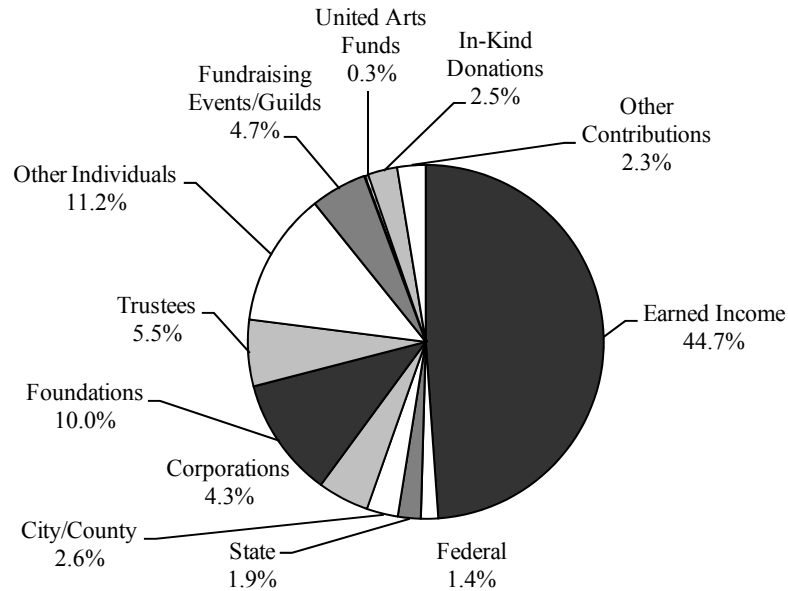
	All Theatres	Group 6	Group 5	Group 4	Group 3	Group 2	Group 1
Number of Theatres	180	28	34	25	47	28	18
Artistic Payroll	19.2%	18.1%	17.2%	22.4%	25.1%	27.4%	30.7%
Administrative Payroll	20.5%	19.9%	21.4%	22.2%	19.9%	22.2%	19.0%
Production/Technical Payroll	14.6%	16.2%	14.3%	11.8%	11.5%	5.5%	5.0%
Total Payroll	54.3%	54.2%	52.9%	56.4%	56.6%	55.2%	54.7%
General Artistic Non-Payroll	3.6%	3.7%	3.4%	3.6%	3.0%	3.6%	3.7%
Royalties	2.2%	1.8%	2.7%	2.7%	2.7%	1.4%	1.4%
Production/Tech Non-Payroll (physical production)	6.6%	7.7%	5.3%	5.0%	6.1%	4.0%	6.4%
Development/Fundraising	3.6%	3.6%	3.6%	3.9%	3.0%	3.7%	4.6%
Marketing/Customer Service/Concessions	11.7%	11.5%	11.9%	11.4%	12.4%	10.7%	11.1%
Occupancy/Building/Equipment/Maintenance	9.4%	8.4%	11.7%	8.4%	8.8%	11.4%	11.1%
Depreciation	4.6%	5.1%	4.6%	4.4%	2.5%	2.9%	1.1%
General Management/Operations	4.0%	3.9%	3.8%	4.1%	4.9%	7.1%	5.9%
Total Expenses	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%



CONTRIBUTED INCOME AND CHANGES IN UNRESTRICTED NET ASSETS (CUNA)

The contributed income and CUNA analysis takes into consideration all unrestricted funds, including Net Assets Released from Temporary Restriction (NARTR), which are contributions received in a prior fiscal year for activity that occurred in the current fiscal year, hence the release of funds from temporary restriction. Figure 8 presents income detail for Profiled Theatres, with particular focus on different sources of contributed income. Contributions financed 46.7% of total expenses, with individual donations representing the largest single source of contributed income. We show the average gift size by source for all Profiled Theatres and each budget group in Table 20.

FIGURE 8: INCOME AS A PERCENT OF EXPENSES WITH CONTRIBUTED INCOME DETAIL *



*Percentages total 91.4% because total expenses exceeded total income by 8.6%.

Collectively, the 180 Profiled Theatres:

- ◆ Released \$118 million of NARTR, which was reported by theatres of every budget size and supported 12% of total expenses.
- ◆ Conducted capital campaigns that generated over \$61 million or 13% of all contributed funds. Forty-eight Profiled Theatres (27%) were in capital campaigns in 2009. Five theatres began their current capital campaigns in 2009, eight theatres began current capital campaigns in 2008, five theatres began in 2007, eleven theatres began in 2006 and nineteen between 2000 and 2005. At least two theatres of every budget size were in a capital campaign in the most recent year.
- ◆ Received more than \$163 million in gifts from trustees and other individuals, which supported 16.7% of total expenses and accounted for 36% of all contributed dollars.
- ◆ Received 33% of individual contributions from trustees, who gave an average of \$8,526 (see Table 20). Profiled Theatres' boards average 27 members. Larger theatres tend to have larger boards. Group 1 Theatres average 12 trustee donors whereas Group 6 Theatres average 45.
- ◆ Attracted contributions from 238,600 non-trustee individuals who gave average gifts of \$315 (see Table 20). For larger theatres (Groups 4 through 6), gifts from other individuals are the greatest source of contributed funds.
- ◆ Raised \$41.6 million from 3,605 corporations. The average corporate gift in 2009 was \$11,545 (see Table 20). Of total corporate dollars, 32% was from NARTR.
- ◆ Received \$97 million from 2,961 foundation grants, which averaged \$32,791 (see Table 20). Thirty-six percent of total foundation dollars realized in 2009 were NARTR. Foundation support is the greatest source of contributed funds for smaller (Groups 1, 2 and 3) theatres.
- ◆ Attracted \$17.5 million to support touring and education programs.
- ◆ Accepted nearly \$24 million in-kind donations, raised over \$45 million from special fundraising events or guilds and benefited from \$23 million in other contributed support from service organizations and sheltering organizations such as universities, performing arts centers or museums.

TABLE 20: AVERAGE GIFT BY SOURCE

	All Theatres	Group 6	Group 5	Group 4	Group 3	Group 2	Group 1
Average Trustee Gift	\$ 8,526	15,409	5,075	6,577	3,389	2,044	1,696
Average Other Individual Gift	\$ 315	395	277	418	148	273	122
Average Corporate Gift	\$ 11,545	22,557	9,730	5,151	6,950	4,402	2,046
Average Foundation Gift	\$ 32,791	64,306	29,719	21,737	18,196	13,189	9,886

**BUDGET GROUP SNAPSHOT: CONTRIBUTED INCOME**

Table 21 reports average contributions and CUNA for all Profiled Theatres and for each budget group. In Table 22, we present contributions and CUNA as a percentage of expenses. We supplement these tables with the following observations.

The 180 Profiled Theatres received federal funds equal to 1.4% of expenses and 3% of total contributed income. No theatre received NEH funding. Not every theatre that reports total NEA funding provides detail about the granting category from which they were awarded funds. For those that do, we can provide the following information: 55 theatres received NEA Access to Artistic Excellence grants averaging \$29,300 per grant; 7 theatres received an average grant of \$33,300 for Learning in the Arts for Children and Youth projects; 1 theatre received a Challenge America Fast-Track grant of \$10,000; 11 theatres received \$25,000 grants for the Shakespeare for a New Generation program; and 1 theatre received a grant as part of the American Recovery and Reinvestment Act. Other federal sources include the U.S. Department of Housing and Urban Development, the U.S. Department of Education, the Coming Up Taller Award-Playwright Mentoring Project and the National Capital Arts and Cultural Affairs Program of the U.S. Commission of Fine Arts, which funds organizations in Washington, DC. Every group benefited from some form of federal funding.

TABLE 21: AVERAGE CONTRIBUTED INCOME AND TOTAL INCOME

	All Theatres	Group 6	Group 5	Group 4	Group 3	Group 2	Group 1
Number of Theatres	180	28	34	25	47	28	18
Federal	78,158	334,697	35,373	48,220	27,583	14,010	33,337
State	103,358	142,890	180,950	241,841	36,358	18,272	10,261
City/County	141,676	598,263	93,326	73,339	63,568	16,565	16,241
Corporations	231,221	853,136	270,147	141,538	78,663	35,213	18,077
Foundations	539,411	1,791,372	608,369	419,085	231,520	126,713	74,697
Trustees	298,988	914,536	522,209	256,569	64,562	25,067	16,962
Other Individuals	604,622	2,162,115	742,521	494,839	168,943	69,830	43,359
Fundraising Events/Guilds	252,087	776,109	337,439	233,958	88,799	53,098	36,804
United Arts Funds	19,386	93,858	13,372	-	4,768	4,354	3,380
In-Kind Services/Materials/Facilities	133,118	278,851	269,575	141,065	53,233	23,504	16,732
Other Contributions	128,388	327,883	252,090	55,564	77,241	11,548	847
Total Contributed Income	\$ 2,530,414	\$ 8,273,710	\$3,325,371	\$ 2,106,017	\$ 895,238	\$ 398,175	\$ 270,695
Total Income	\$ 4,950,224	\$ 16,321,373	\$6,550,869	\$ 4,024,818	\$ 1,783,298	\$ 716,902	\$ 377,980
Changes in Unrestricted Net Assets (CUNA)	\$ (465,729)	\$ (2,477,483)	\$ (657,974)	\$ 273,220	\$ 17,297	\$ (1,299)	\$ 16,802

For the 180 Profiled Theatres:

- ◆ Federal funding for Group 1 Theatres is skewed by one theatre, whose support from federal sources other than the NEA or NEH accounted for 85% of the Group's total. One Group 6 Theatre accounted for more than half of the Group's total, skewing the average.
- ◆ Group 4 Theatres received the highest level of state funding as a percentage of expenses. One theatre accounted for 52% of Group 4's state funding.
- ◆ Group 5 Theatres covered the lowest percentage of expenses with corporate support (3.7%) and Group 1 Theatres the highest (5%).
- ◆ Although larger theatres received higher foundation support in absolute terms, smaller theatres received much greater foundation support as a percentage of expenses. Nearly 21% of Group 1 Theatres' total expenses were supported by foundation grants. Every Group 1, 4, 5 and 6 Theatre received some foundation support.
- ◆ Individual giving, whether from trustees or other individuals, plays a more important role in financing the expenses of Group 4 Theatres than it does for other Groups.
- ◆ Group 2, 5 and 6 Theatres averaged negative CUNA. One theatre with six-digit positive CUNA skewed the average for Group 1 Theatres. Eliminating this theatre from the analyses would leave Group 1 Theatres with average CUNA of -\$5,870.
- ◆ Group 6 Theatres reported the most dramatic extremes of CUNA: one experienced negative CUNA equivalent to more than 73% of its total expenses and another had positive CUNA 108% of its total expenses.
- ◆ Over half of the Group 1, 3, 5 and 6 Theatres experienced negative CUNA. Of Group 2 Theatres, 57% had positive CUNA but the combined magnitude was not sufficient to outweigh the negative CUNA of the remaining 43%. Thirty-six percent of Group 4 Theatres had negative CUNA, the lowest of the budget groups.
- ◆ Group 4 Theatres ended the year with the highest level of positive CUNA proportional to total expenses.

TABLE 22: AVERAGE CONTRIBUTED INCOME AS A PERCENTAGE OF EXPENSES

	All Theatres	Group 6	Group 5	Group 4	Group 3	Group 2	Group 1
Number of Theatres	180	28	34	25	47	28	18
Federal	1.4%	1.8%	0.5%	1.3%	1.6%	2.0%	9.2%
State	1.9%	0.8%	2.5%	6.4%	2.1%	2.5%	2.8%
City/County	2.6%	3.2%	1.3%	2.0%	3.6%	2.3%	4.5%
Corporations	4.3%	4.5%	3.7%	3.8%	4.5%	4.9%	5.0%
Foundations	10.0%	9.5%	8.4%	11.2%	13.1%	17.6%	20.7%
Trustees	5.5%	4.9%	7.2%	6.8%	3.7%	3.5%	4.7%
Other Individuals	11.2%	11.5%	10.3%	13.2%	9.6%	9.7%	12.0%
Fundraising Events/Guilds	4.7%	4.1%	4.7%	6.2%	5.0%	7.4%	10.2%
United Arts Funds	0.3%	0.5%	0.2%	0.0%	0.3%	0.6%	0.9%
In-Kind Services/Materials/Facilities	2.5%	1.5%	3.7%	3.8%	3.0%	3.3%	4.6%
Other Contributions	2.3%	1.7%	3.5%	1.5%	4.4%	1.6%	0.2%
Total Contributed Income	46.7%	44.0%	46.1%	56.1%	50.7%	55.4%	74.9%
Total Income	91.4%	86.8%	90.9%	107.3%	101.0%	99.8%	104.7%
Changes in Unrestricted Net Assets (CUNA)	-8.6%	-13.2%	-9.1%	7.3%	1.0%	-0.2%	4.7%

On average, the year ended with a lower level of unrestricted net assets than it began: The aggregate balance of unrestricted net assets at the beginning of the fiscal year for Profiled Theatres was \$917 million and the year ended with unrestricted net assets totaling \$804 million. This decline was influenced by theatres in Groups 5 and 6, while theatres in Groups 1 through 4 ended the year with higher average unrestricted net assets, driven by CUNA and audit adjustments from reported numbers in prior years. There were theatres in every budget group that ended the year with negative CUNA.



THE BALANCE SHEET

The balance sheet reflects a theatre's long-term fiscal health and stability, as discussed in the Trend Theatres section. CUNA, while an important indicator of annual activity, is only one element in the bigger picture of capital structure. The 169 Profiled Theatres that completed the Balance Sheet section of the survey collectively held \$2 billion in total assets and \$1.5 billion in net assets, 55% of which was in unrestricted funds. As in the Trend Theatres section, we use Cool Spring Analytics' measures of theatres' fiscal health with respect to investments, physical capital and working capital.

In Table 23, we see that 70% of Profiled Theatres' net assets—permanently restricted, temporarily restricted and unrestricted—are fixed assets, 35% are investments, 14% are other net assets and the total is reduced by 19% due to negative working capital, detailed in Table 24. The distribution of net assets varies depending on theatre size, with mid-size theatres having a greater proportion of fixed and other net assets. As theatre size increases, so does the proportion of total net assets held in investments. In addition to the figures reported below, ten theatres are beneficiaries of endowments ranging from \$10,000 to \$3.6 million that are held by other entities (e.g., by a community foundation) and are not reflected in their balance sheet.

FIXED ASSETS = TOTAL LAND + BUILDING + EQUIPMENT AT COST—ACCUMULATED DEPRECIATION

Profiled Theatres possess an aggregate \$1 billion in fixed assets. Fixed assets represent 50% of total net assets for Group 1 while it comprises between 68% and 82% of the total for all other Groups.

INVESTMENT RATIO = TOTAL INVESTMENTS/TOTAL EXPENSES

The investment ratio is best examined over time but more than half of the Profiled Theatres reported having some investments, as demonstrated in Table 23. These investments include endowments and cash reserves that generate interest income that theatres can either reinvest or use for operations, thereby lessening the burden on other income sources and making it easier to weather hard economic times. In the poor economy of 2009, many investments lost some of their value that had accumulated over prior years, as indicated in the Trend section above. Group 6 Theatres' aggregate investments are the equivalent of 80% of their combined total expenses. No Group 1 or 2 Theatre reported having unrestricted endowment funds, as shown in Table 24.

	All Theatres	Group 6	Group 5	Group 4	Group 3	Group 2	Group 1
Number of Theatres	169	26	33	25	42	26	17
Working Capital	\$ (1,648,113)	\$ (5,742,078)	\$ (2,121,614)	\$ (1,507,166)	\$ (527,398)	\$ (11,953)	\$ 53,933
Fixed Assets	\$ 6,070,730	\$ 26,182,710	\$ 5,512,366	\$ 4,093,606	\$ 1,163,450	\$ 399,699	\$ 99,858
Investments	\$ 3,039,504	\$ 15,343,829	\$ 2,620,946	\$ 834,827	\$ 137,561	\$ 55,341	\$ 9,316
Other Net Assets	\$ 1,226,548	\$ 2,822,551	\$ 1,780,202	\$ 1,773,718	\$ 644,852	\$ 120,304	\$ 35,230
Total Net Assets	\$ 8,688,669	\$ 38,607,013	\$ 7,791,900	\$ 5,194,985	\$ 1,418,466	\$ 563,391	\$ 198,337
Total Expenses	\$ 5,495,405	\$ 19,215,504	\$ 7,176,194	\$ 3,751,597	\$ 1,749,923	\$ 723,876	\$ 364,613
Investment Ratio	55%	80%	37%	22%	8%	8%	3%

WORKING CAPITAL = TOTAL UNRESTRICTED NET ASSETS — FIXED ASSETS — UNRESTRICTED LONG-TERM INVESTMENTS

Working capital represents theatres' ability to meet day-to-day cash needs and current obligations. Tables 23 and 24 show that, on average, working capital was negative for Profiled Theatres, indicating that these theatres are borrowing funds to meet daily operating needs. The severity of the working capital situation for mid-sized and large theatres deserves serious attention. Only Group 1 Theatres reported positive average working capital, with only five in the Group reporting negative working capital. All except six Group 5 Theatres had negative working capital. Overall, the lowest reported working capital was -\$52 million and the highest was \$21 million.

WORKING CAPITAL RATIO = WORKING CAPITAL/TOTAL EXPENSES

Another indicator of organizational health is the working capital ratio, a comparison of working capital to total expenses. Cool Spring Analytics notes that one way to look at working capital is having enough capital to handle cash flow fluctuations for a period of time. For example, a ratio of 25% translates into three months of working capital. Of the 169 Profiled Theatres that completed the balance sheet portion of the survey, 9% reported a working capital ratio of 25% or more while 61% reported negative working capital. The overall working capital ratio for the Profiled Theatres was -30%. The lowest reported working capital ratio was negative in a magnitude of 3.5 times the size of the budget, and the highest was equivalent to 97% of budget. Group 4 Theatres experienced relatively severe working capital shortages averaging -40% of expenses, leaving them with little financial flexibility. Group 3, 5 and 6 Theatres reported an average negative working capital ratio of -30%.

TABLE 24: AVERAGE WORKING CAPITAL

	All Theatres	Group 6	Group 5	Group 4	Group 3	Group 2	Group 1
Number of Theatres	169	26	33	25	42	26	17
Total Unrestricted Net Assets	\$ 4,770,890	\$ 22,145,918	\$ 3,668,692	\$ 2,798,215	\$ 637,345	\$ 387,746	\$ 153,791
Fixed Assets	\$ 6,070,730	\$ 26,182,710	\$ 5,512,366	\$ 4,093,606	\$ 1,163,450	\$ 399,699	\$ 99,858
Unrestricted Investments	\$ 348,273	\$ 1,705,285	\$ 277,940	\$ 211,775	\$ 1,293	\$ -	\$ -
Working Capital	\$ (1,648,113)	\$ (5,742,078)	\$ (2,121,614)	\$ (1,507,166)	\$ (527,398)	\$ (11,953)	\$ 53,933
Total Expenses	\$ 5,495,405	\$ 19,215,504	\$ 7,176,194	\$ 3,751,597	\$ 1,749,923	\$ 723,876	\$ 364,613
Working Capital Ratio	-30%	-30%	-30%	-40%	-30%	-2%	15%



ATTENDANCE, PRICING AND PERFORMANCES

We now take a detailed look at marketing and performance measures for the Profiled Theatres (see Table 25). Since not every theatre offers a subscription package, averages reported in this section reflect the number of theatres that responded to each question. We add the following observations to Table 25.

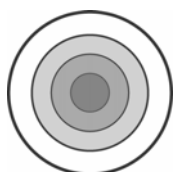
The 180 Profiled Theatres:

- ◆ Attracted over 11.3 million patrons, sold 843,000 subscriptions and held over 35,000 main series performances.
- ◆ Employed an average of 199 full-time, part-time and jobbed-in administrative, artistic and production personnel during the course of the year. The aggregate number of people employed across Profiled Theatres was 35,840.
- ◆ Filled an average of 70% of their seats with paying customers. Smaller theatres tend to play to smaller houses with a lower proportion of the house filled with subscribers. This is especially true for Group 2 Theatres.
- ◆ Tend to offer more ticket packages as theatre size increases.
- ◆ Renewed 72% of subscribers from the prior year, on average. Group 4 Theatres experienced the highest renewal rates and Group 2 the lowest.
- ◆ Offered some resident productions off subscription. Considering only capacity of those productions offered on subscription, subscribers filled an average of 32% of potential capacity: 39% for Group 6 Theatres, 40% for Group 5, 35% for Group 4, 30% for Group 3, 17% for Group 2 and 19% for Group 1.
- ◆ Received higher average prices from subscribers than from single ticket buyers for Group 1, 5 and 6 Theatres, while the reverse was true for Group 2, 3 and 4 Theatres.
- ◆ Collectively offered 5,487 weeks of performances around the country.
- ◆ Provided 86,025 weeks of actor employment; the number of actor employment weeks increases as theatre size increases.
- ◆ Experienced higher employee turnover rates as they increased in size, generally speaking, with the exception of Group 2 Theatres whose turnover was particularly high.

TABLE 25: INDUSTRY AVERAGES

	All Theatres	Group 6	Group 5	Group 4	Group 3	Group 2	Group 1
Number of Theatres	180	28	34	25	47	28	18
Subscription Renewal Rate	72%	73%	71%	76%	73%	65%	68%
High Subscription Discount	39%	48%	36%	47%	37%	29%	29%
Low Subscription Discount	11%	9%	11%	15%	13%	9%	11%
Subscription Price (per ticket)	\$30.63	\$42.04	\$36.29	\$30.17	\$25.78	\$19.41	\$21.70
Single Ticket Price	\$30.06	\$41.57	\$36.09	\$33.16	\$26.37	\$19.85	\$19.50
Number of Ticket Packages Offered	6	9	5	5	6	2	2
Number of Subscribers/Season Ticket Holders	5,548	15,574	6,848	4,481	2,107	526	265
Subscription Tickets (#subscribers x #tickets/package sold)	28,656	81,593	35,949	21,046	11,023	2,499	1,246
Single Tickets	39,410	116,770	42,829	34,183	22,154	8,228	5,218
Total In-Residence Paid Capacity Utilization	70%	73%	71%	75%	69%	63%	68%
Total In-Residence Subscriber Capacity Utilization	25%	30%	30%	28%	24%	12%	16%
Number of Main Series Performances	197	404	266	204	147	84	45
Number of Performance Weeks	30	41	36	31	30	23	16
Number of Actor Employment Weeks (sum of # weeks each actor employed)	492	1,151	500	467	374	221	135
Number of Total Paid Employees (includes jobbed-in, part-time and full-time personnel)	199	516	247	166	118	83	55
Paid Employee Turnover (# vacated positions/total # pd. employees)	11%	13%	11%	12%	10%	16%	5%

CONCLUSION



The recent economic crisis had a negative impact on theatres just as it did on nearly every sector of society. The strong economy that bolstered capital campaigns and operating income during the first three years of the 5-year trend analysis deteriorated in 2008 and continued its slide in 2009. In 2009, earned income was lower than it was in 2005 in absolute dollars, and the adjustment for inflation only exacerbated the decline. While this downward trend was largely driven by capital losses in recent years, their elimination from the analyses would still leave earned income growth trailing inflation. Growth in contributed income surpassed inflation over the 5-year period despite the poor economy but by only 1%, not enough to counterbalance the reduction in earned income. At the same time, expense growth outpaced inflation by 9.7%. For most theatres, the economy's effect on their bottom lines has been dramatic. These are disquieting trends that can be expected to linger in the years to come as foundations, corporations, individuals and government agencies encounter their own losses, undergo belt-tightening and find themselves with less support available for theatres, particularly when rolling averages are part of the giving equation. The stock market has rebounded in recent months, the GDP is on the rise and national residential housing sales are more robust than expected so hope is on the horizon, but other economic indicators such as employment remain depressed.

The average theatre in Groups 2, 5 and 6 ended the year with negative CUNA. While the majority of theatres operated in the black from 2005 to 2007, more theatres ended the year with negative than positive CUNA in 2008 and 2009. More theatres also reported severe deficits in 2009 than in recent years. On average, theatres experienced capital losses rather than capital gains in 2009. Average working capital, while negative each year, improved annually from 2005 through 2008 then plunged in 2009. In 2009, only Group 1 Theatres managed positive average working capital. However, capital campaigns left theatres with substantial growth in investments and improved, new or expanded facilities.

Attendance is down, both for productions that take place at the theatre and for those on tour. Subscription income growth fell short of inflation for the 5-year period, and income from subscriptions covered its lowest level of total expenses for the 5-year

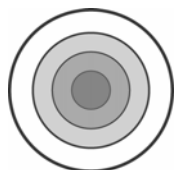
period in 2009. Total subscriptions sold and subscriber attendance both declined from 2005 to 2009. Single ticket income growth outpaced inflation over the 5-year period; single ticket attendance was down but average single ticket prices rose 10% above inflation. Double-digit declines in state funding, local funding, corporate funding and United Arts Funding all put added pressure on growth in funding from foundations and trustees to support expenses.

Theatre size has an important impact on how theatres operate. The largest, Group 6 Theatres, had the highest investment ratio by far and were hit far worse than other groups with capital losses, contributing to severely negative CUNA as a proportion of total expenses compared with other groups. They supported a much higher level of expenses with total ticket income than other groups, offered a much greater selection of ticket packages for purchase and spent proportionally more on physical production expenses and production payroll. Nearly 90% of Group 6 Theatres can be found in urban markets. Group 5 Theatres also experienced collective capital losses that contributed to negative CUNA. They spent the lowest proportion of their resources on payroll and more on building occupancy and maintenance than other groups.

Mid-sized theatres have their own peculiarities. Group 4 Theatres emerged with the highest subscription renewal rate, the strongest bottom line and the weakest working capital ratio. Group 3 also had a fairly serious working capital shortage but positive average CUNA. Group 3 and 4 Theatres spend more of their budget on payroll than other groups and they were the only groups whose average earned income covered more than 50% of their expenses. Group 4 Theatres received the highest level of state funding and support from non-trustee individuals proportional to their budget, they have a greater presence in suburban communities than other groups and they were the only group of theatres to average capital gains rather than losses. Group 3 Theatres spend more of their budget on marketing than other groups.

Smaller theatres' lower level of investments kept them less vulnerable to market swings. No Group 1 or 2 Theatre reported unrestricted investments. Group 1 Theatres had positive working capital and positive CUNA while Group 2 Theatres ended the year with slightly negative working capital and CUNA. Smaller theatres tend to be much more reliant on contributed income. Group 1 and 2 Theatres earned proportionally far lower subscription income than the industry average, offered fewer ticket packages, received a relatively higher proportion of their income from foundations and corporations and spent more of their resources on artistic payroll relative to larger theatres. Proportionally, they played to more empty seats than other groups, filled fewer seats with subscribers and spent less on marketing and royalties than other groups but proportionally more on costs related to general management fees such as office supplies and audit fees. They led the field in the proportion of educational/outreach income, and 78% of them are resident in urban areas.

TCG member theatres can be found in every state of the nation, creating a strong and diverse theatrical heritage. They make significant contributions to the wellbeing of artists, to professional theatre administrators and technicians, to their communities and to the U.S. economy. As a field, they contributed an estimated \$1.9 billion to the economy in the form of direct compensation and payment for services and goods. They opened their doors to 30 million patrons. They provided employment to 128,200 artists, administrators and production personnel. They created 187,000 performances of 17,000 productions that now represent the American theatre legacy of 2009.



METHODOLOGY

Theatre Facts 2009 includes information on participating theatres' fiscal years ending between October 31, 2008, and September 30, 2009. Profiled Theatres' information was verified against certified financial audits. The adjustment for inflation in the discussion of Trend Theatres of 10% (25% for the 10-Year View) is based on compounded annual average changes in the Consumer Price Index for all urban consumers as reported by the U.S. Department of Commerce's Bureau of Labor Statistics.

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Theatre Communications Group (TCG), the national organization for the American theatre, serves nearly 700 member theatres and affiliate organizations and more than 12,000 individuals nationwide. Founded in 1961 at the outset of the American regional theatre movement, TCG's mission remains unchanged today: to strengthen, nurture and promote the professional not-for-profit American theatre. For more information on TCG's research efforts including *Theatre Facts*, Snapshot Surveys, and other projects, visit the [Tools & Research](#) section of the TCG website, www.tcg.org.



2009 PROFILED THEATRES

The following theatres participated in TCG Fiscal Survey 2009. Each theatre's budget group is noted in parentheses.

ALABAMA

Alabama Shakespeare Festival (5)

ARIZONA

Actors Theatre of Phoenix (3), Arizona Theatre Company (5), Childsplay, Inc. (4), Phoenix Theatre (5), Southwest Shakespeare Company (2)

ARKANSAS

Arkansas Repertory Theatre (4)

CALIFORNIA

American Conservatory Theater (6), The Antaeus Company (1), BATS Improv (2), Berkeley Repertory Theatre (6), Center Theatre Group (6), The Chance Theatre (1), Diversionary Theatre (2), The Geffen Playhouse (5), La Jolla Playhouse (6), Laguna Playhouse (5), Marin Shakespeare Company (2), Marin Theatre Company (3), The Old Globe (6), PCPA Theaterfest (4), Reprise Theatre Company (3), San Diego Repertory Theatre (3), San Francisco Mime Troupe (1), Shakespeare Santa Cruz (3), Sierra Repertory Theatre (3), South Coast Repertory (6), TheatreWorks (5), Will Geer Theatricalum Botanicum (2)

COLORADO

Curious Theatre Company (3), Denver Center Theatre Company (6)

CONNECTICUT

Connecticut Repertory Theatre (3), Elm Shakespeare Company (1), Hartford Stage (5), Long Wharf Theatre (5), Westport Country Playhouse (5), Yale Repertory Theatre (5)

D.C.

Arena Stage (6), Folger Theatre (3), Ford's Theatre (6), GALA Hispanic Theatre (3), Shakespeare Theatre Company (6), The Studio Theatre (5), Woolly Mammoth Theatre Company (4)

FLORIDA

American Stage Theatre Company (3), Asolo Repertory Theatre (5), Florida Studio Theatre (4), Maltz Jupiter Theatre (5), Stageworks Theatre (1)

GEORGIA

Alliance Theatre (6), Dad's Garage Theatre Company (2)

IDAHO

Boise Contemporary Theater (2), Idaho Shakespeare Festival (4)

ILLINOIS

Chicago Shakespeare Theater (6), Court Theatre (4), Goodman Theater (6), The House Theatre of Chicago (1), Lookingglass Theatre Company (5), Northlight Theatre (4), Piven Theatre Workshop (2), Redmoon (3), Steppenwolf Theatre Company (6), Timeline Theatre Company (2), Victory Gardens Theater (4), Writers' Theatre (4)

INDIANA

Indiana Repertory Theatre (5)

IOWA

Riverside Theatre (2)

KENTUCKY

Actors Theatre of Louisville (6), Roadside Theater (1)

MAINE

Penobscot Theatre (2), Portland Stage Company (3)

MARYLAND

CENTERSTAGE (5), Chesapeake Shakespeare Company (1), Everyman Theatre (3), Imagination Stage (5), Round House Theatre (5)

MASSACHUSETTS

American Repertory Theatre (6), Barrington Stage Company (4), Huntington Theatre Company (6), The Lyric Stage Company of Boston (3), Merrimack Repertory Theatre (3), New Repertory Theatre (3), Shakespeare & Company (5)

MINNESOTA

The Children's Theatre Company (6), Commonweal Theatre Company (2), Guthrie Theater (6), Mu Performing Arts (2), Nautilus Music-Theater (1), Pillsbury House Theatre (2), The Playwrights' Center (3), Stages Theatre Company (3)

MISSISSIPPI

New Stage Theatre (3)

MISSOURI

The Coterie Theatre (3), Kansas City Repertory Theatre (5), The Repertory Theatre of St. Louis (5), Unicorn Theatre (3)

NEW JERSEY

George Street Playhouse (4), McCarter Theatre Center (6), Paper Mill Playhouse (6), ReVision Theatre (1), The Shakespeare Theatre of New Jersey (4)

NEW YORK

Adirondack Theatre Festival (1), Atlantic Theater Company (5), Capital Repertory Theatre (3), Castillo Theatre (2), The Civilians (1), Classic Stage Company (3), Clubbed Thumb (1), Geva Theatre Center (5), HERE Arts Center (3), Lark Play Development Center (2), Mabou Mines (3), Manhattan Theatre Club (6), Ma-Yi Theater Company (2), Merry-Go-Round Playhouse (3), New Dramatists, Inc. (3), New York Stage & Film, Inc. (2), NYS Theatre Institute (NYSTI) (4), The Pearl Theatre Company (3), Ping Chong and Company (2), The Play Company (2), Pregones Theater (3), The Public Theater (6), Roundabout Theatre Company (6), Second Stage Theatre (5), Signature Theatre Company (5), SITI Company (2), Syracuse Stage (5), Target Margin Theater (1), Theatre for a New Audience (4), Vital Theatre Company (2), The Wooster Group (3)

NORTH CAROLINA

Actor's Theatre of Charlotte (2), PlayMakers Repertory Company (3), Triad Stage (3)

OHIO

The Cleveland Play House (5), Cleveland Public Theatre (3), Great Lakes Theater Festival (4), The Human Race Theatre Company (3)

OREGON

Artists Repertory Theatre (3), Miracle Theatre Group (2), Oregon Shakespeare Festival (6), Portland Center Stage (5)

PENNSYLVANIA

Arden Theatre Company (4), Bloomsburg Theatre Ensemble (2), City Theatre Company (4), Fulton Theatre (4), Open Stage of Harrisburg (1), The Pennsylvania Shakespeare Festival (3), The People's Light & Theatre Company (5), Philadelphia Theatre Company (5), Pig Iron Theatre Company (2), Pittsburgh Irish and Classical Theatre (3), Pittsburgh Public Theater (5), The Wilma Theater (4)

RHODE ISLAND

Gamm Theatre (3), Trinity Repertory Company (5)

SOUTH CAROLINA

Arts Center of Coastal Carolina (4), Charleston Stage Company (3), PURE Theatre (1)

TENNESSEE

Clarence Brown Theatre at the University of TN (3), Tennessee Repertory Theatre Company (3)

TEXAS

Alley Theatre (6), Dallas Children's Theater (4), Dallas Theater Center (5), The Ensemble Theatre (3), The Globe Theatre (1), Main Street Theater (3), WaterTower Theatre (3), ZACH Theatre (4)

VIRGINIA

Roadside Theater (1), Signature Theatre (5)

WASHINGTON

ACT Theatre (ACT) (5), Harlequin Productions (2), Seattle Children's Theatre (5), Seattle Repertory Theatre (6), Taproot Theatre Company (3)

WISCONSIN

American Players Theatre (4), Milwaukee Repertory Theater (6), Renaissance Theatreworks (1)