



## Convening of Arts Organizations

December 16 & 17, 2008

The Community Foundation for Greater Atlanta

*On December 16 & 17, the Metropolitan Atlanta Arts Fund hosted two groups of artistic/executive directors and board leaders from a total of 26 small and mid-sized arts organizations. The discussion included a report on the results of a late November financial survey to all Atlanta arts organizations, a presentation on scenario planning and an open talk on how organizations are experiencing and adapting to the economic crises. Below are aggregate comments collected from both sessions.*

### Participants

7 Stages, Actor's Express Theatre Company, Alternate ROOTS, Atlanta Boy Choir, Atlanta Celebrates Photography, Atlanta Film Festival, Atlanta Shakespeare Company, Dad's Garage, The Georgia Ballet, Georgia Ensemble Theatre, Georgia Shakespeare, Gwinnett Ballet Theatre, Hammonds House Galleries, Horizon Theatre Company, Madison-Morgan Cultural Center, Museum of Contemporary Art of Georgia, Out of Hand Theater, PushPush Theater, Several Dancers Core, Spruill Center for the Arts, Synchronicity Performance Group, Theatre in the Square, Theatrical Outfit, True Colors Theatre Company, VSA arts of Georgia, Wren's Nest House Museum

### Texture of the Crises: Organizations Relate How the Crises is Affecting Their Business

- Seems like the crises has accelerated in last weeks of year.
- Not getting revenue from contracted jobs.
- We had to let staff go the week after the November survey.
- Growing concern that we are not being asked what we need. Lack of understanding in the funder world about how we are collaborating.
- We have heard from patrons that the arts never meant so much to them. Instead of taking vacations, people are staying and taking art classes. Enrollment is up right now over last year.
- Our organization would love to increase programs and go into schools but we have had to cut staff. Lack of staffing is a big issue.
- Worried about making short sighted decisions now. If we lose kids and youth programs they won't come back in their 20s.
- We have found that our tour revenue is off. The venues want something safer than modern dance.
- When we lose corporate flagpoles in mergers, we lose local arts giving. Corporate offices are taking a hard look at the governance issues of giving shareholder money.
- Individual giving is down over last year. And there is dramatically less corporate support – we are down 80%.
- Holiday show sales are down 10-15% (although this is better than expected).

- The AJC cut Gwinnett news coverage and this is making publicity tough.
- All sales for our theatre are walk-up. No one is buying in advance.
- Foundations are pulling back from giving to new organizations in anticipation of being able to give less in the next few years.
- Foundations are postponing decisions. Saying, “talk to us next year.” The unknown is killing us.
- Corporations are also pushing decisions to next year. And next year will be worse for them too.
- We were counting on \$400,000 from an individual donor and a corporation that is not coming in.
- The time that really terrifies me is six to eight months from now: July and August 2009.
- We have no idea how we will get through this year. It will not work for the Artistic Director to just give us 12 shows to do.
- Real estate agencies were a big contributor to the arts. They won’t be able to continue.
- We can’t make match required for government contract for services. In violation of contract.
- Contract for Services money (from government funders) is given as reimbursements. You have to spend it before you can request it.
- Actor’s Equity is upping pay 4% and upping benefits. It will be hard to pay the increased expenses. Do we go off of equity? Then we won’t be able to use actors we want use. We need to talk to equity as group.
- Equity actors in Atlanta generally aren’t able to take advantage of equity programs (they aren’t able to get enough hours to qualify) but we are paying for them in their salaries. We are supporting actors in Los Angeles and New York.
- We need to find a way to address debt. We had a bad year in 2008 and already had no financial tools going into the crises.
- In the crises, individual artists will end up making less.
- Our organization has had serious merger discussions but it is hard to find the right fit.
- All of our carrying debt now.

## Ideas for Adapting: Strategies That Groups Are Trying or Are Thinking of Trying

- It is key to keep doing financial survey of arts organizations -- things changing quickly
- Holding town hall meetings to use arts spaces to meet and talk about social issues
- We are trying to do more free and community events. We’re focusing on keeping a presence in the community.
- We convened a gathering of arts organizations in our town including the Chamber of Commerce and the main street group (who is organizing festivals). We’re trying to get town leadership to be part of discussion. We found that visual arts did not know theater people. We’re looking to create bridges between organizations and develop programs with local artists guild. We’re looking at what social capital we have in the community -- How can the arts address the human services need?
- Historically, in crises, lot of small organizations disappear and infrastructure suffers. Some of us could wrap our arms around some of the smaller arts organizations -- their artists, communities programs, board members. We could help keep the community vital by including or “adopting” these groups. This could create new audiences.
- We think about competition as anything that keeps people in their house. We try to keep them engaged (and going out) with free events or 2-for-1s. They will remember us when they are more flush and become regular paying patrons. Our membership is up already.
- Our theatre has a “Deadbeat Club.” We offer free admission for anyone who can prove they lost their job recently. We’re not losing their business anyway and we’re building goodwill.
- We offer a discount if you bring in canned goods that will be donated to feed homeless. Building social capital.
- Our organization is generally not a fan of offering discounts. Devalues the work.
- We’re investing in online content. Providing free content draws people in as a hook. They get to know you through your blog and then come to your location or events.

- We should combine these ideas with scenario planning. Schools are going to cut arts programs.
- Could look at making formerly-fixed salaries variable. Go to a commission-based compensation model.
- We are looking at volunteers instead of interns (who take a lot of work).
- We're laser-focused on what programs turn the greatest profit. May not be artistic but still within mission. We're focusing on trainings for attorneys.
- There are international tour subsidies available and money to take your work abroad. It is also for bringing in international artists.
- We need to rethink how we structure organizations. Use open-source thinking and interactive participation.
- Could host "Obama" house party meetings in your space to discuss using national money for arts infrastructure.
- We're looking at expanding the board to get more resources.
- Need to look at the market globally – how can we reach an expanded audience? Is the infrastructure correct? Look at new methods of revenue e.g. product placement – sponsor product written into story.
- Instead of holding our large gala we're holding a series of in home parties.
- Think about how the audience wants to perceive itself – Are you the type of person who sits home or goes out to see something you can only see that night?
- We're making our processes more efficient – When you buy a ticket online your are prompted to buy a ticket for your friend or for a second show.
- You need to look at your contacts at corporations and how many workers they impact. These are not necessarily C-level people. They look at what their people want when they make decisions about corporate support.
- Need to become vital in organizations that are competing with us.
- The downturn allows us to innovate online, stay visible.
- Suggest that you don't focus on your website – it is a walled experience. Focus on social networks where ideas and news can spread virally, e.g. Facebook.
- Media arts organizations are jealous of the interactivity of theatre. We are trying to create live events by scheduling speakers and artists talks.
- We must present to corporate world that arts organizations are small businesses and not "crazy, flakey."
- We need to share what is working with other arts organizations, NPOs and businesses. Our industry doesn't have a research function.
- Our organization launched our first membership campaign – give what you can. We used a phone tree and personal phone calls to ask anyone who had attended in the last few years to join as a member. It was very effective.
- We are saying that it doesn't matter what you give, just give -- \$5 or \$5000. As a result, individual contributions are up. It's the "Save The Children" strategy.
- If you don't have time for scenario planning, think about incorporating it into existing planning or a board retreat.
- We moved our fundraising event to a depression-era speakeasy to play off the economy.
- We have been really researching donors and using different messages for different types of donors.
- Try asking audiences for things other than money. Ask them to come in the first two weeks of show instead of near end where it is easier to sell tickets.
- Find a model of organization structure from your past that works – even if you have to go back to 2004 or earlier.
- We are a small organization but we hire a lot of people in a year –100-120 every year. We'd like to try and get media/press for creating jobs.
- Need to take your product to people. Perform in schools, community centers. People go at a drop of a hat to their schools.
- We're looking at having several resident theatres in our space. We can't cover the cost ourselves.
- We're looking at doing co-productions with another theater to reach two different markets.
- We're doing some deep discounting. We did a Black Friday sale and it was best day ever. We're selling less desirable seats cheaply.

- Working with the major employers in the area to offer special prices for employees. They get tickets from their HR department and bring their family.
- Moving to an emphasis on science collaborations because there is grant money available there.
- We have to overcome nostalgia for how it used to be. Need to rebuild and start over.
- There is more risk staying the same than trying radical ideas. The best ideas come out of creative disruption.
- You could try sampling – allow people to try lots of your offerings.
- Organizations should not be cutting marketing – leads to sales going down.
- Think about co-sharing facilities. Domino's Pizza rents kitchen facilities from schools when they aren't using them. This is a reference to Thomas Friedman's "Hot, Crowded and Flat"
- Could take a page from Campus Crusade – staff is required to raise part of their own salary.
- Our theater has an "Adopt an Actor" program where donors support the expenses of a specific artist.

## Questions and Concerns

- Foundations that support arts need to gathering in think tanks.
- Arts organizations want voices inside Foundations, etc. that are planning.
- Arts organizations want to hear about it before it rolls out. Funders hear about it before us.
- How can we present our economic impact on the city?
- Do regular surveys – things change quickly.
- Who is still giving to the arts?
- In the next survey: Would like to see comparison of how major gifts and smaller gifts are affected differently.
- In the next survey: Want to know how economy is affecting individual artists.
- How can I do scenario-planning with staff cut to the bone?
- You can only say "we need to keep the doors open" one time. How to stress the need without freaking out our base? We know social services have need - how to express need for the arts so we are there when it is over?
- Can we work with aggregate list to do mailing to all Fulton County residents asking the to advocate on behalf of the arts?
- What is considered collaboration by funders? Doing a show together is not considered collaboration Lots of barriers with funders. Is this all leading to mergers?
- Can we get joint press story that describes what Atlanta would be like without key arts organizations or events? No Nutcracker at Christmastime?

*Metropolitan Atlanta Arts Fund*  
 50 Hurt Plaza, Suite 449  
 Atlanta, GA 30033  
 404-688-5525  
[www.MetroAtlantaArtsFund](http://www.MetroAtlantaArtsFund)

*The Metropolitan Atlanta Arts Fund is a unique partnership formed in 1993 between The Community Foundation for Greater Atlanta and the Metro Atlanta Chamber of Commerce to address a gap in Atlanta's arts funding and support system. Through the stewardship of The Community Foundation, a trusted grantmaker in the community, and with the leadership of the Chamber, donors have found an opportunity to strengthen hundreds of metro Atlanta's small and mid-sized arts organizations.*

*The mission of the Arts Fund is to: Stabilize and strengthen small and mid-sized arts organizations; Leverage resources that support the funding of arts in our region; Provide leadership to foster relationships locally and nationally that advance solutions for the arts in our region.*