

## Investing in arts reaps rewards

September 30, 2007 6:00 AM

Editor's note: Sue Cobler is the coordinator for Art-Speak, the city of Portsmouth's cultural commission. Russ Grazier, Jr. is president of the board of directors of Art-Speak and executive director of the Portsmouth Music and Arts Center.

By Sue Cobler

and Russ Grazier Jr.

A recent study conducted by Americans for the Arts, Arts & Economic Prosperity III provides compelling new evidence that nonprofit arts and culture is a major contributor to our local economy. According to the study, nonprofit arts and culture organizations in the Portsmouth Seacoast area (defined as Portsmouth, Kittery and Rye) spend \$12.6 million directly and their audiences spend another \$25.5 million annually in event-related expenses, including dining, hotels, parking, retail shopping, and other businesses. That \$38 million annually, in turn, provides 1,161 full-time equivalent jobs and household income for local residents of \$23 million. It also produces \$2.4 million in local government revenues and another \$1.8 million in state government revenues. In short, this study shows that Portsmouth benefits greatly from a strong, local creative economy.

On average, an event attendee in the Portsmouth Seacoast area spends \$27.79 in event-related expenses (not including the cost of admission) and the total number of event attendees was over 920,000 in 2006. The Arts & Economic Prosperity III Study revealed that 66 percent (or 605,794) of these event attendees are non-residents (defined as residing outside the Portsmouth-Kittery-Rye study area). Non-residents, on average, spend 30 percent more per event than residents. These data demonstrate that people will travel to a specific destination to attend a cultural event. When a community attracts cultural tourists, it harnesses significant economic rewards.

Arts and culture is a product, a magnet that attracts visitors to a region. As communities compete for tourists' dollars, the arts have proven to be a draw for travelers and their money. The impact of spending by nonprofit arts and culture organizations is far reaching: they pay their employees, purchase supplies and services, and acquire assets within their local community.

Additionally, unlike most industries, the nonprofit arts and culture organizations leverage significant event-related spending by their audiences. Whether serving the local community or out-of-town guests, a vibrant art and culture industry helps local merchants thrive.

What is remarkable about the Portsmouth Seacoast area is its support by local residents. The Arts & Economic Prosperity III survey reported local residents accounted for 315,846 event attendees. With a study area population of approximately 35,000, that translates to attendance at over nine events per resident per year on average, and this data only represents nonprofit events — not movies and other entertainment events in the private sector.

Our local residents clearly enjoy and participate in the quality of life arts and culture provide.

The Portsmouth Seacoast area is very fortunate to have citizens who support the arts, as well as local government officials and business leaders who realize the importance of investment in the arts. When compared to other cities or regions of comparable size (with populations less than 50,000), our nonprofit arts and culture organizations and their audiences spend more than double the national average.

The \$38 million local arts and culture nonprofits contribute to the local economy is markedly higher than the national average of \$18.2 million for communities of comparable size. The success of Portsmouth's creative economy is due, in large part, to our dedicated arts and cultural professionals, and the commitment and support of our business community and local government leaders.

Art-Speak, the city of Portsmouth's cultural commission, hopes this commitment continues long into the future for the benefit of all.

In addition to the nonprofit sector, the arts fuel a far broader part of the economy, known as the creative industries. These industries are comprised of arts-centric businesses including architects, graphic artists, web designers, photographers, writers, advertising and marketing professionals and many more. According to Dunn and Bradstreet, there were 165 businesses in the creative industry in Portsmouth in 2005, employing 813 people. These businesses provide the creativity and talent that drive much of the new information economy — the fastest-growing segment of the nation's economy.

Expanding the support for arts and culture will result in an increase in these creative industries. Both the arts and arts education have great potential for positive impact on our local economy. Arts education inspires creativity and innovative thinking, and those are crucial skills required for the information age and the global economy. And these creative minds are important to retain in our city and region to ensure future economic vitality.

By demonstrating that investing in the arts and culture yields economic benefits, the Arts & Economic III study lays to rest the common misconception that the arts are luxuries worth supporting in good times, but hard to justify when the economy is

struggling. At a time when governments at all levels are making tough budget choices, this study sends an important message: that support for the arts does not come at the expense of economic development.

Rather, it is an industry that supports jobs, generates government revenue, is the cornerstone of cultural tourism and economic development, and drives the creativity-based economy.

Greater investment in the arts will yield a greater return to the community. In doing so, Portsmouth is not only promoting the arts for their own intrinsic value — to delight, inspire, and provoke — but also enabling them to provide a strong foundation for the city's economic future. And that future is very exciting.