

About This Study

Arts & Economic Prosperity III was conducted by Americans for the Arts to document the economic impact of the nonprofit arts and culture industry in 156 communities and regions representing all 50 states and the District of Columbia. The diverse communities range in population (four thousand to three million) and type (rural to urban). The study focuses solely on nonprofit arts and culture organizations and their audiences and excludes spending by individual artists and the for-profit arts and entertainment sector (e.g., Broadway or the motion picture industry). Detailed expenditure data was collected from 6,080 arts and culture organizations and 94,478 of their attendees. The project economists, from the Georgia Institute of Technology, customized input/output analysis models for each study region to provide specific and reliable economic impact data. To derive the national estimates, the study regions were stratified into six population groups, and an economic impact average was calculated for each group. The nation's largest 12,662 cities were then assigned to one of the six groups based on their population as supplied by the U.S. Census Bureau. Each city was assigned the economic impact average for its population group, and then all were added together to determine the national economic impact findings. The two largest U.S. cities, New York and Los Angeles, each with more than \$1 billion in organizational expenditures, were excluded from this study to avoid inflating the national estimates.

For more information on **Arts & Economic Prosperity III**, including information on downloading and purchasing all study reports, please visit www.AmericansForTheArts.org/EconomicImpact. Americans for the Arts staff are available for speaking engagements. If interested, please contact the Research Department at 202.371.2830 or at research@artsusa.org

In my own philanthropy and business endeavors, I have seen the critical role that the arts play in stimulating creativity and in developing vital communities. As this study indicates, the arts have a crucial impact on our economy and are an important catalyst for learning, discovery, and achievement in our country.

PAUL G. ALLEN
Philanthropist and Co-Founder, Microsoft



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Art-Speak's mission is to promote appreciation, awareness, participation, and dialogue in support of arts and culture. We perform these services for the City of Portsmouth and its City Council and all artists and art/cultural-related organizations in the Seacoast community



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Americans for the Arts is the Nation's leading nonprofit organization for advancing the arts in America. Established in 1960, we are dedicated to representing and serving local communities and creating opportunities for every American to participate in and appreciate all forms of the arts



Thanks to survey sponsors:



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Portsmouth Economic
Development Commission

Art-Speak
The City of Portsmouth Cultural Commission

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ARTS

Arts & Economic Prosperity^{III}

The Economic Impact of
Nonprofit Arts and Culture
Organizations and their
Audiences for the
Portsmouth Seacoast Area







Economic Impact of America's Nonprofit Arts & Culture Industry

America's nonprofit arts and culture industry generates **\$166.2 billion** in economic activity every year—\$63.1 billion in spending by organizations and an additional \$103.1 billion in event-related spending by audiences. The national impact of this activity is significant, supporting 5.7 million jobs and generating \$29.6 billion in government revenue.

ECONOMIC IMPACT OF THE NONPROFIT ARTS & CULTURE INDUSTRY (expenditures by both organizations and audiences)

Total Expenditures	\$ 166.2 billion
Full-Time Equivalent Jobs	5.7 million
Resident Household Income	\$ 104.2 billion
Local Government Revenue	\$ 7.9 billion
State Government Revenue	\$ 9.1 billion
Federal Income Tax Revenue	\$ 12.6 billion

There is no better indicator of the spiritual health of our city, its neighborhoods, and the larger region than the state of the arts. The arts deepen our understanding of the human spirit, extend our capacity to comprehend the lives of others, allow us to imagine a more just and humane world. Through their diversity of feeling, their variety of form, their multiplicity of inspiration, the arts make our culture richer and more reflective.

JONATHAN FANTON
President, MacArthur Foundation



The Economic Impact of Nonprofit Arts and Culture Organizations and Their Audiences in THE PORTSMOUTH SEACOAST AREA

The *Arts & Economic Prosperity III* study provides compelling new evidence that the nonprofit arts and culture are a \$38.18 million industry in the Portsmouth Seacoast Area—one that supports 1,161 full-time equivalent jobs and generates \$4.38 million in local and state government revenue.

Nonprofit arts and culture organizations, which spend \$12.66 million each year, leverage a remarkable \$25.52 million in additional spending by arts and culture audiences—spending that pumps vital revenue into local restaurants, hotels, retail stores, parking garages, and other businesses.

By demonstrating that investing in the arts and culture yields economic benefits, *Arts & Economic Prosperity III* lays to rest the common misconception that communities support the arts and culture at the expense of local economic development. In fact, communities that support the arts and culture not only enhance their quality of life, they also invest in their economic well-being.

This report shows conclusively that **the arts mean business in the Portsmouth Seacoast Area!**

Total Impact of the Nonprofit Arts and Culture Industry (Expenditures by both organizations and audiences)

Total Expenditures	\$38,180,594
Full-Time Equivalent Jobs	1,161
Resident Household Income	\$22,932,000
Local Government Revenue	\$2,486,000
State Government Revenue	\$1,897,000

The impact of spending by nonprofit arts and culture organizations is far reaching: they pay their employees, purchase supplies, and acquire assets within the local community. Additionally, unlike most industries, the nonprofit arts and culture leverage significant event-related spending by their audiences. Whether serving the local community or out-of-town visitors, a vibrant arts and culture industry helps local businesses thrive.



Impact of the Nonprofit Arts and Culture Organizations

Total Expenditures	\$12,656,169
Full-Time Equivalent Jobs	467
Resident Household Income	\$10,129,000
Local Government Revenue	\$719,000
State Government Revenue	\$525,000

Impact of the Nonprofit Arts and Culture Audiences

Total Expenditures	\$25,524,425
Full-Time Equivalent Jobs	694
Resident Household Income	\$12,803,000
Local Government Revenue	\$1,767,000
State Government Revenue	\$1,372,000

Event-Related Arts and Culture Audience Spending

	Residents*	Non-Residents*
Total Attendance	315,846	605,794
Percent	34	66
Per Person Average	\$20.53	\$31.43
Total Spending	\$6,484,319	\$19,040,106

Average Dollars Spent Per Person by Arts Attendees

Refreshments/Snacks At Event	\$3.31
Meals Before/After Event	\$11.08
Souvenirs and Gifts	\$4.62
Clothing and Accessories	\$0.76
Ground Transportation	\$2.19
Event-Related Child Care	\$0.37
Overnight Lodging (one night only)	\$4.68
Other/Miscellaneous	\$0.67
Total Per Person Spending	\$27.68

The Arts Mean Business

From major metropolitan areas to small rural towns, this research shows that the nonprofit arts and culture industry is an economically sound investment. It attracts audiences, spurs business development, supports jobs, and generates government revenue. Locally as well as nationally, the arts mean business.

Mayors understand the connection between the arts industry and city revenues. Besides providing thousands of jobs, the arts generate billions in government and business revenues and play an important role in the economic revitalization of our nation's cities.

DOUGLAS H. PALMER
Mayor of Trenton
President, The United States Conference of Mayors

The arts have been and continue to be an important part of Arizona's culture. By igniting the mind, the arts can spark new ways of thinking, communicating, and doing business.

JANET NAPOLITANO
Governor of Arizona
Chair, National Governors Association







