



ARTSGEORGIA  
STATE OF THE ARTS™

# STATE OF THE ARTS

Volume 1 Edition 1 Spring 2013



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*Articles, stories and reports of success — plus breaking news*

## WELCOME

**W**elcome to ArtsGeorgia's newsletter, *State of the Arts*. Spring is a time for new beginnings. *State of the Arts* presents articles and news about the Georgia arts community. The newsletter focuses on what is new; it highlights people, programs and places where we find success. *State of the Arts* presents not only articles and news; it includes discussions on topics of interest to you. State of the Arts is an important addition to ArtsGeorgia's approach to improving communication among those working in the arts. *State of the Arts* advocates for the arts, artists, arts educators, arts administrators, art patrons and our many state arts organizations. Our first issue has an exciting series of articles. We hope you agree.

Allen Bell's *Creative Industries and Nonprofit Arts in Georgia* reflects the success of SouthArts with its recent publication of *Creative Industries of the Southeast*, data and analysis detailing the solid economic benefits of the arts. His distillation of information relevant to Georgians details facts, charts and conclusions. It will help us make our case.

C4 Atlanta fulfills vital needs for artists with their entrepreneurship initiatives and artist training programs. Joe Winter, one of C4's founders and an action team member with Jessyca Holland, discusses the interesting concept of "intrapreneurial" as distinguished from "entrepreneurial." His thoughtful consideration suggests a new method for finding success in sustaining an existing arts organization. Maybe something your organization might want to try.

The historic Springer Opera House is a state treasure in Columbus where they are about to complete the construction of an exciting new theater. Scooter Mcmillian tells how the people of Columbus successfully completed a capital campaign despite the recession, plus what to expect from the new Dorothy W. McClure Theatre. It's heart-warming to hear about this success.

ArtsGeorgia welcomes your support for *State of the Arts*. Our goal is a printed newsletter, not just a digital file on a website. With your support — maybe a donation, or a membership, perhaps an arts tag purchase, even the suggestion of a story or an alert to something new — ArtsGeorgia will distribute copies of the newsletter across the state. Please let us hear from you — all feedback and ideas are welcome. What's new? What's successful? And always celebrate the arts in Georgia! 🎨

**BILL GIGNILLIAT**

*President & CEO, ArtsGeorgia*

*Bill*

# THIS IS A TEST



## ArtsReady Emergency Preparedness System

If this had been an actual emergency, would you know exactly what to do **RIGHT NOW** to get your organization back in business?

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[www.ArtsReady.org](http://www.ArtsReady.org)



ArtsReady, an initiative of South Arts, is made possible with major support from the National Endowment for the Arts, the Doris Duke Charitable Foundation, and The Andrew W. Mellon Foundation.



# CREATIVE INDUSTRIES AND NONPROFIT ARTS IN GEORGIA

## ALLEN BELL

Program Director: Arts Education,  
Research, and Information at South Arts

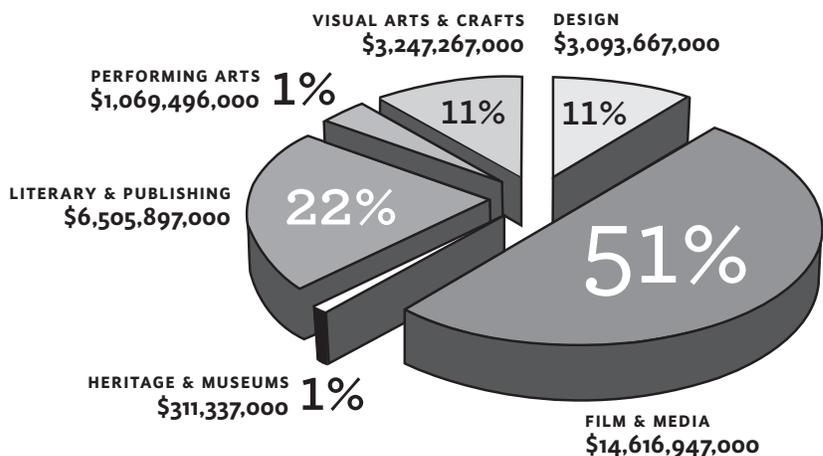
In early 2012, South Arts published Creative Industries in the South, a benchmark study on the creative economy of the region ([www.southarts.org/creativeeconomies](http://www.southarts.org/creativeeconomies)). The study includes data on nonprofits, for-profits, and the self-employed measured by establishments, employment, wages and earnings, and revenue. The research shares figures for the nine-state South Arts region in aggregate, as well as comparative data on the state level, with stand-alone creative industries profiles on each state.

According to the study, Georgia clearly has one of the largest creative industries in the South. The state ranks second in the region for creative industries establishments with 12,768, and second in creative industries employment at 199,921. Georgia ranks first in the region for per capita creative industries wages and earnings with a total of \$8.1 billion, and per capita creative industries revenue with a total of \$29 billion.

As part of the analysis, the study separates creative industries data into six industry sectors — design, film and media, heritage and museums, literary and publishing, performing arts, and visual arts and crafts. Georgia ranks high in the region in several of these creative industries categories. In design, Georgia has the highest per capita employment, wages and earnings, and revenue. Georgia also ranks first in the region for film and media per capita employment, wages and earnings, and revenue. The state ranks second in the region for heritage and museums per capita wages and earnings, as well as per capita revenue.

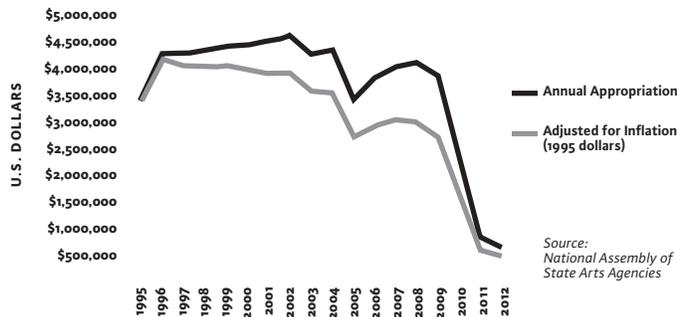
However, when the study specifically looks at nonprofit arts, culture and humanities organizations, Georgia ranks lower in the region. As of 2007, Georgia had 2,474 registered arts & culture nonprofits, 898 of which filed form 990. On a per capita basis, that ranks Georgia at sixth in the region for registered arts nonprofits, and eighth for organizations filing form 990. The state's arts nonprofits generate \$461 million in annual revenue, with \$1.7 billion in total assets. On a per capita basis, that gives Georgia a regional rank of fifth for annual revenue, and third for total assets.

## Creative Industries Revenues in Georgia



Total Creative Industries Revenues in Georgia: \$28,844,611,000  
(INCLUDING SELF-EMPLOYED)

## Georgia Legislative Appropriations for the Arts



The reason why Georgia performs so well among states in the region for overall creative industries, but not as well in relation to nonprofit arts, culture and humanities organizations is in part due to the stout competition among nonprofits in the state. When compared to other nonprofit sectors in Georgia, the arts are ranked sixth in percent of grant dollars received, behind healthcare, education, human services, community development, and the environment. ([http://foundationcenter.org/gainknowledge/research/pdf/keyfacts\\_georgiafoundations2012.pdf](http://foundationcenter.org/gainknowledge/research/pdf/keyfacts_georgiafoundations2012.pdf))

In addition, the Foundation Center's data on arts and culture grantmakers shows that Georgia ranks only third

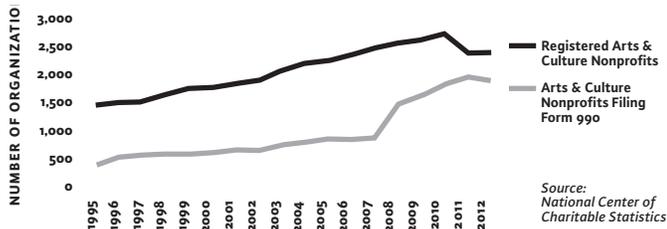
in the region with 423 funders making grants in arts and culture. ([maps.foundationcenter.org/arts/FldIntUS.php](http://maps.foundationcenter.org/arts/FldIntUS.php)).

Not only do the arts face challenges in the realm of private funding, but they have met recent challenges in public funding as well. The National Endowment for the Arts study, How the United States Funds the Arts, shows that Georgia's per capita state funding for the arts ranks near the bottom of the country on a per capita basis ([www.nea.gov/pub/how.pdf](http://www.nea.gov/pub/how.pdf)). While Georgia formerly received more robust public funding for the arts, the National Assembly of State Arts Agencies details in their Legislative Appropriations Annual Survey: Fiscal Year 2012 that the state's current legislative appropriation of \$574,268 for the arts, which

equals about six cents per resident per year, ranks 48th out of 50 states for per capita arts funding.

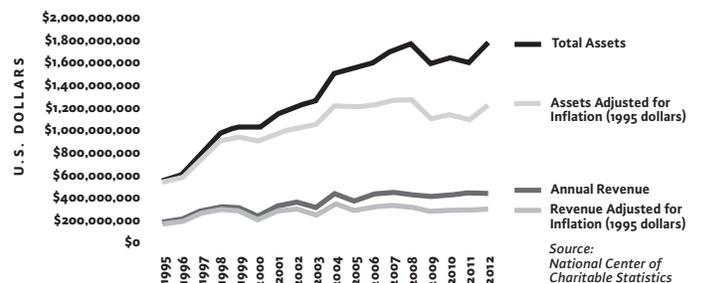
To make matters worse, Georgia's nonprofit arts sector was hit hard by the recession and recent IRS regulatory changes. While the number of registered arts organizations increased steadily for 15 years, that number has dropped since 2010 when the IRS began decommissioning organizations with annual revenues of less than \$25,000 which did not file form 990. Total assets for the same group decreased significantly from 2008 to 2011 during The Great Recession. In addition, total annual revenue for Georgia's nonprofit arts, culture and humanities organizations has remained flat since 2004. Assets rebounded in 2012, but revenue stayed relatively the same. Georgia arts advocates will have to convince public and private funders to raise the arts on their priority lists if they want to improve the funding prospects for nonprofit arts and culture organizations in 2013 and beyond. ¶

## Nonprofit Arts, Culture & Humanities Organizations in Georgia



Organizations filing form 990 increased significantly from 2007 to 2011 largely due to a new IRS requirement that all nonprofits file form 990. Previously, only organizations with annual revenue above \$25,000 were required to file the form. The decrease in registered organizations from 2010 to 2012 is largely due to the IRS decommissioning organizations that failed to file form 990.

## Nonprofit Arts, Culture & Humanities Organizations in Georgia



The decrease in total assets from 2008 to 2011 is due largely to the impact of The Great Recession on the nonprofit arts, culture, and humanities sector in Georgia. Annual revenue for the sector has remained flat since 2004, in part because of the recession, but possibly also because of the decrease in public funding for the arts at the state and local levels, and intense competition from other nonprofit sectors in the state, such as healthcare, education, human services, community development, religion, and the environment. Adjusted for inflation, assets have not significantly increased since 2004, and revenue has remained in the same range since 1997, except for a dip in 2000 and a spike in 2004.



# C4 ATLANTA

## JOE WINTER

*Entrepreneurship isn't just for New Organizations*

Over the past two years, C4 Atlanta has provided entrepreneurship training to nearly 100 artists. Entrepreneurship is not the exclusive domain of new organizations or emerging artists. The “B-School” world even has an obscure term to highlight this point: intrapreneurship. This is the practice of entrepreneurship within the structures of existing organizations. Intrapreneurship within a large organization tends to face some unique challenges, beyond the typical challenges that face independent entrepreneurs. The intrapreneur must carefully navigate existing bureaucratic structures and get buy-in from senior managers.

That can be a very tall order, especially within a nonprofit organization with already-limited resources.

Between Michael Kaiser, Adam Huttler, and others, there’s been quite a bit of talk lately in the arts blogosphere about the need for new operating models. And there’s been a lot of talk about innovation and arts entrepreneurship. Perhaps the next stage of growth in arts institutions will come from embracing arts intrapreneurship.



Should you decide to take on this challenge on behalf of your organization, make sure you ask the right questions. How will this initiative benefit the mission and the community? What sort of timeline and budget will be required? Who else needs to buy into the initiative? How can the initiative be structured as a pilot? If the pilot is successful, how can the organization support the initiative on a larger scale? And how will it fit within the existing organization? ¶



FUSE Arts Center is C4 Atlanta's center for arts entrepreneurship

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# SPRINGER OPERA HOUSE

## SCOOTER MACMILLAN

*Springer Opera House*

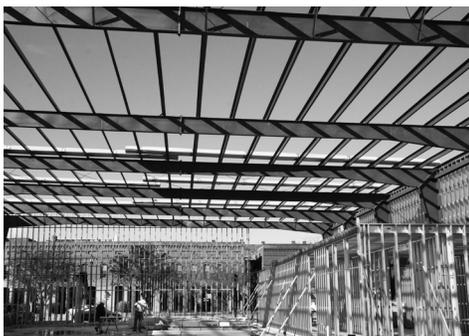
*Springer Growing In Spite of Economic Downturn Brand New McClure Theatre on Schedule for Fall Opening*

This is an incredibly exciting (and colorful) time at the State Theatre of Georgia. This fall, the Springer will have a brand new theatre.

The Dorothy W. McClure Theatre will be open in time for the October opening of *Pinkalicious: The Musical*.

At the 2013-14 Season Announcement on Feb. 21, it was announced that the \$11.5 million goal had been reached that day. Tom Flournoy, co-chair of the capital campaign, and Cameron Bean, director of development, celebrated by taking the stage to color in the last little bit of a thermometer graphic that had been used to track the fund-raising progress.

In 2008, the Springer launched the capital campaign to pay for the building of a children's theatre and additional classrooms for the Springer Theatre Academy.



After the launch, the bottom promptly fell out of the real estate business. But in the midst of the worst financial downturn since the Great Depression, people continued to give to the building of the new theatre.

In spite of the economic conditions, campaign co-chairman Sam Wellborn said, "The people of this community have recognized how essential the Springer is for economic development, education and quality of life here."

Now with the "green" in hand, construction appears to be "in the pink" for the opening of *Pinkalicious* with performances for school groups on Oct. 2 (and public performances beginning on Oct. 4).

For more information about shows and times at the Springer visit [springeroperahouse.org](http://springeroperahouse.org) or call 706-327-3688. Regular tours of the National Historic Landmark are at 3:30 p.m. Mondays and Wednesdays (or can be for scheduled groups at other times). ¶

**COME SEE A SHOW AT THE SPRINGER!**

**BEST SEATS FOR THE FUTURE**

The brand new Dorothy W. McClure Theatre will open before the Springer's 2013-14 season.

706-327-3688 [springeroperahouse.org](http://springeroperahouse.org)

## AWARENESS

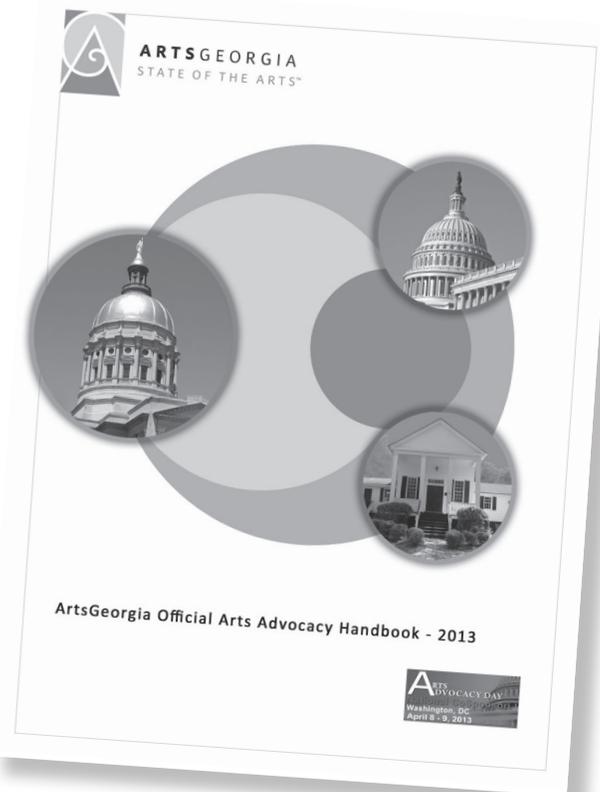
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## ASSEMBLY

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[www.gaartscongress.org](http://www.gaartscongress.org)



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