



Press Release

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THEATRE COMMUNICATIONS GROUP PUBLISHES THEATRE FACTS 2004
HEALTH OF AMERICA'S
NOT-FOR-PROFIT THEATRES ON THE REBOUND

New York, July 2005—After surviving several years of fiscal crisis and uncertainty, theatre companies across America are slowly beginning to show signs of economic recovery. In 2004, funding for theatre from federal, state, corporate and, most impressively, individual sources all increased over the past year. And in a dramatic reversal from 2003, more than half—54%—of responding theatres ended the year in the black.

These findings and much more are cited in *Theatre Facts 2004*, Theatre Communications Group's (TCG) annual report on the attendance, performance and fiscal health of the American not-for-profit theatre. The study is based on information gathered from the fiscal year that theatres completed any time between September 30, 2003, and August 31, 2004.

Written by Zannie Giraud Voss, Associate Professor, Duke University, and Glenn B. Voss, Assistant Professor, North Carolina State University, along with TCG staff members Christopher Shuff and Ilana B. Rose, *Theatre Facts 2004* marks the 30th edition of TCG's annual update on the practices and economic performance of the national not-for-profit field. Presented in three sections, *Theatre Facts 2004* reports on the national theatre "Universe," 5-year "Trend Theatres" and a more detailed section on "Profiled Theatres."

The Universe

"The Universe" section provides the broadest snapshot of the industry for 2004, examining an overview of 1,477 theatres—258 theatres that completed survey information and 1,219 theatres that filed IRS Form 990. Using an extrapolation formula based on annual expenses, findings included that:

- Not-for-profit theatres contributed over \$1.46 billion to the U.S. economy through payments for goods, services and employee salaries and benefits;
- More than half—54%—of the responding theatres reported a budget surplus in 2004;
- American theatres offered 169,000 performances that attracted over 32 million attendees; and
- Theatres engage the majority of their employees in artistic positions with an average workplace consisting of 64% artistic, 24% technical and 12% administrative personnel.

Trend Theatres

This section focuses on the 92 "Trend Theatres" that have responded to the long form TCG Fiscal Survey in each of the past five years. This analysis examines trends in earned income, expenses, contributed income and attendance figures. Encouraging findings included that:

- Growth in total individual contributions exceeded growth in inflation by 63% and the average individual gift from donors increased 84% over the 5-year period;
- Average federal funding increased for the second straight year, for an overall increase of 45% above inflation;
- Average state funding recovered significantly in 2004;
- Average corporate support outpaced inflation by 14.3%, driven by larger gifts from fewer corporations.

While the economic picture improved in several areas, the overall news was not all positive. Other findings included that:

- Declines in support were noted in local government funding, foundation giving and in-kind contributions;
- Subscriptions continued on a downward trajectory and average single ticket income was down again for the second year in a row; and
- Although theatres averaged an overall surplus, this was due to vigorous expense reduction despite the soaring cost of occupying and maintaining facilities—the greatest expense increase.

Profiled Theatres Finally, the "Profiled Theatres" section provides the greatest level of detail for the 198 theatres that completed the long form *Fiscal Survey 2004*. This analysis breaks down earned and contributed income, expenses, attendance, pricing and performance information by budget group. Findings included that:

- Earned income financed 63% of theatre expenses and accounted for 57% of total income;
- Income from ticket sales represented 71% of total earned income and supported 45% of all theatre expenses;
- Compensation of theatre personnel was 55% of total expenses, or \$448 million, illustrating the labor-intensive nature of theatre;
- Education and outreach programs served 4.5 million people; and
- Theatres produced 288 world premieres and earned \$3.4 million from 406 royalty properties.

These are only a few highlights from the findings reported in *Theatre Facts 2004*, which is now available free of charge on TCG's website, www.tcg.org. Printed copies of the report can be ordered, at a cost of \$6.00, through TCG's customer service department by phone, 212.609.5900. For more information about *Theatre Facts 2004*, contact Chris Shuff, Director of Management Programs, 212.609.5900 x 248, or by email at cshuff@tcg.org.

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Theatre Communications Group (TCG), the national organization for the American theatre, offers a wide array of services in line with its mission: to strengthen, nurture and promote the professional not-for-profit American theatre. Artistic programs support theatres and theatre artists by awarding \$3 million in grants annually, and offer career development programs for artists. Management programs provide professional development opportunities for theatre leaders through workshops, conferences, forums and publications, as well as industry research on the finances and practices of the American not-for-profit theatre. Advocacy, conducted in conjunction with the dance, presenting and opera fields, includes guiding lobbying efforts and providing theatres with timely alerts about legislative developments. The country's leading independent press specializing in dramatic literature, TCG's publications include *American Theatre* magazine, the *ArtSEARCH* employment bulletin, plays, translations and theatre reference books. As the U.S. Center of UNESCO's International Theatre Institute, a worldwide network, TCG supports cross-cultural exchange through travel grants and other assistance to traveling theatre professionals. Through these programs, TCG seeks to increase the organizational efficiency of its member theatres, cultivate and celebrate the artistic talent and achievements of the field, and promote a larger public understanding of and appreciation for the theatre field. TCG serves over 440 member theatres nationwide.