



FOR IMMEDIATE RELEASE

October 15, 2012

CONTACTS:
Dafina McMillan
dmcmillan@tcg.org
212-609-5955

**Theatre Communications Group Releases
32nd Annual Report: *Theatre Facts 2011*
*Not-for-profit theatres contributed nearly \$1.94 billion to the U.S. economy***

New York, NY – Not-for-profit theatres contributed nearly \$1.94 billion to the U.S. economy and attracted 34 million attendees, according to *Theatre Facts 2011*. Released by Theatre Communications Group (TCG), *Theatre Facts* is the only in-depth report that examines the attendance, performance and overall fiscal state of the not-for-profit professional theatre industry. *Theatre Facts 2011* is based on the TCG Fiscal Survey, compiling data from theatres' fiscal year ending between October 31, 2010 and September 30, 2011. First published in 1980, the annual *Theatre Facts* report examines unrestricted income and expenses, balance sheets, attendance, pricing and performance details.

"After several years of difficult economic news, *Theatre Facts 2011* shows audiences rebounding and working capital on the rise," said Teresa Eyring, executive director of TCG. "Other notable trends include a rise in contributed income led by individual donors, an upswing in hiring with theatres adding 10% more employees, a five-year increase in both capital campaigns and rental income, and growing attendance at stage readings and workshops. These trends suggest theatres are beginning to climb out of the Recession by leveraging their fixed—and human—assets in meaningful ways."

Following are highlights from *Theatre Facts 2011*, now available on TCG's website, <http://www.tcg.org/tools/facts/>. A narrative version published in *American Theatre* magazine that provides case studies and anecdotes from prominent managing leaders will be available at <http://www.tcg.org/tools/facts/> in November.

The **Universe** section provides the broadest snapshot of the industry for 2011, examining an overview of 1,876 not-for-profit theatres—179 theatres that completed the TCG Fiscal Survey and 1,697 theatres that filed IRS Form 990. Using an extrapolation formula based on annual expenses, findings include:

- Theatres attracted over 34 million **attendees** at 177,000 **performances**, up from 31 million in *Theatre Facts 2010*.
- The majority of **theatres' employees** are engaged in artistic positions, with an average workplace consisting of 60% artistic, 28% technical and 12% administrative personnel.
- 51% of **total income** came from earned sources and 49% from contributions.

The **Trend Theatres** section provides a longitudinal analysis of the 113 theatres that have responded to the TCG Fiscal Survey in each of the past five years (2007-2011). Findings include:

- 58% of theatres ended 2011 with a **positive Change in Unrestricted Net Assets (CUNA)**, up from 40% in 2009, but slightly down from 64% in 2010. For the theatres with negative CUNA in 2011, the majority of those negative bottom lines were not severe.
- **Average working capital** (unrestricted resources available to the theatre to meet obligations and day-to-day cash needs) was negative in each of the five years, though 2011 saw an improvement over the low of 2010. At the same time, **capital campaigns** continued to leave theatres with

substantial growth in investments and new, improved or expanded facilities, with a 27% rise in fixed assets over the past five years.

- **Total income** increased 15.5% from 2010 to 2011 and 3.4% over the five-year period and supported 8.4% and 1.7% more of expenses, respectively.

Earned Income

- **Earned income** increased 8.3% from 2010 to 2011, but declined 3.9% from 2007 to 2011.
- **Overall ticket sales and attendance** rose from 2010 to 2011, with increases of 3.9% and 2.5%, respectively. However, over the five-year period, both areas did fall by 0.4% and 4%, respectively.
- **Average single ticket income** in 2011 increased 6.6% from 2010 and saw a 13.3% growth over the five-year period.
- **Single ticket attendance** was also on an uptrend from 2010, with the number of single tickets bought increasing by 5% but was down by 1% over the five-year period.
- **Subscriptions** held relatively steady from 2010 to 2011, with the one-year change for subscription income, subscription tickets and the number of subscribers at -0.2%, 0% and -2%, respectively. Although average subscription income decreased 17.6% over the five-year span, subscriptions still remain the second largest income generator for theatres.
- Although **staged readings/workshops** make up a smaller percentage of overall attendance, attendance at these events increased by 15.9% from 2010 and 80.5% over five years.
- **Rental income** saw a 45.7% increase over the five years, with 80 to 86% of theatres earning income from rentals annually, which demonstrates that theatres are taking advantage of their down time to earn ancillary income from their fixed assets.
- **Average capital gains** from investment assets rebounded 163.3% from 2010 and were at their five-year peak in 2011 at an increase of 13.9%, recovering from the severely negative numbers in 2008 and 2009.

Contributed Income

- **Contributed income** increased by 25.7% in 2011 from a five year low in 2010, and by 13.9% from 2007. The greatest support consistently came from **individual contributions** (trustees and other individuals), which increased 55.1% from 2010 to 2011 and 29.9% over five years.
- **Foundations** were the second biggest source of contributed support, increasing 21.6% from 2010, although that support dropped 7.2% over the five year period.
- **Corporate support** increased 21.9% from 2010 to 2011 but dropped 20.3% from 2007.
- **Government funding** fluctuated greatly during the five year period due to exceptional support of capital campaigns of one or two theatres in each category.

Expenses

- After belt-tightening in many areas in 2009 and 2010, there were increases in all but one **expense** category (physical production) in 2011. **Total expense** growth over the five year period exceeded inflation by 1.8%.
- **Total payroll** is consistently the greatest proportion of overall expenses and rose 6.4% from 2010 to 2011 and by 1.1% from 2007 to 2011. Theatres added 10% more employees (full-time, part-time and jobbed-in) to their payroll from 2010 and reached a five year high in 2011.

The **Profiled Theatres** section provides the greatest level of detail for the 179 theatres that completed TCG Fiscal Survey 2011. This analysis breaks down information by budget group and in aggregate. Findings include:

- Roughly 55.7% of **total expenses**—over half a billion dollars in total—goes to **compensation** (including salaries, benefits and royalties to playwrights), highlighting the labor-intensive nature of the theatre field.
- In 2011, **earned income financed** 59.1% of total expenses and **contributed income financed** 48.6%, which shows that total income exceeded total expenses by 7.7%, leaving theatres with a positive Change in Unrestricted Net Assets (CUNA) overall.

- Income from **total ticket sales** represented 69% of total earned income and supported nearly 41% of all expenses.
- Theatres received gifts totaling more than \$176 million from individuals (the largest single source of **contributed income**), 19% of which was earmarked for capital campaigns.
- 27% of theatres were in **capital campaigns** in 2011. Capital campaigns generated \$95 million or 20% of all contributed funds.

Theatre Facts 2011 was written by Zannie Giraud Voss, chair and professor, Division of Arts Administration at Southern Methodist University, and Glenn B. Voss, associate professor, Marketing Department, Cox School of Business, SMU, along with TCG's director of management programs Christopher Shuff and research manager Ilana B. Rose.

For over 50 years, **Theatre Communications Group** (TCG), the national organization for the American theatre, has existed to strengthen, nurture and promote the professional not-for-profit American theatre. TCG's constituency has grown from a handful of groundbreaking theatres to nearly 700 member theatres and affiliate organizations and more than 12,000 individuals nationwide. TCG offers its members networking and knowledge-building opportunities through conferences, events, research and communications; awards grants, approximately \$2 million per year, to theatre companies and individual artists; advocates on the federal level; and serves as the U.S. Center of the International Theatre Institute, connecting its constituents to the global theatre community. TCG is North America's largest independent publisher of dramatic literature, with 11 Pulitzer Prizes for Best Play on the TCG booklist. It also publishes the award-winning AMERICAN THEATRE magazine and ARTSEARCH®, the essential source for a career in the arts. In all of its endeavors, 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. For more information, visit www.tcg.org.

###