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Theatre Communications Group Releases
37th Annual Research Report: *Theatre Facts 2016*
Income Growth Exceeds Expense Growth, Driven by Contributions

New York, NY – Not-for-profit theatres contributed more than \$2.3 billion to the U.S. economy and attracted 31 million attendees, according to *Theatre Facts 2016*, released by Theatre Communications Group (TCG). Based on the annual TCG Fiscal Survey, *Theatre Facts* is the only in-depth report that examines the attendance, performance, and overall fiscal state of the U.S. professional not-for-profit theatre field.

“The significant rise in individual contributions revealed by *Theatre Facts 2016* speaks to how deeply theatres are valued by their communities,” said **Teresa Eyring**, executive director of TCG. “Theatres are investing that support in the greatest resource our field has—our people—while keeping a close eye on the bottom line. With four straight years of a positive average Change in Unrestricted Net Assets (CUNA), the theatre field is showing great resilience in uncertain times.”

Theatre Facts 2016 reflects data from the fiscal year that theatres completed between October 31, 2015 and September 30, 2016. Following an Executive Summary, the report presents data in three ways:

- The Universe: a broad overview of the estimated 1,850 U.S. professional not-for-profit theatres;
- Trend Theatres: a longitudinal analysis of the 131 theatres that completed the TCG Fiscal Survey each year from 2012 through 2016, with a side-note offering a 10-year view, based on a subset of 94 theatres that participated each year since 2007; and
- Profiled Theatres: a detailed examination of all 182 theatres that participated in TCG Fiscal Survey 2016, with data broken out into six budget categories based on annual expenses.

Theatre Facts 2016 is available at: <http://www.tcb.org/ResearchAndResources/TheatreFacts.aspx>.

Unless otherwise noted, all of the financial changes reported in this press release reflect average, inflation-adjusted figures for the Trend Theatres for the 5-year period from 2012 to 2016.

Growth in income overcomes rising expenses: For the 5-year period from 2012 to 2016, total expense growth surpassed inflation by 10.5%. Every category of expenses outpaced inflation. Earned income grew at a similar rate as expenses, outpacing inflation by 10.7%. Average contributed income, meanwhile, outpaced inflation by 22.3%, leading to an inflation-adjusted increase in average total income of 16.1%. Average CUNA (the Change in Unrestricted Net Assets, or the difference between total unrestricted income and total expenses) was positive in all years but 2012.

Earned income grows, ticket sales lag: While tickets remain the greatest source of income for theatres, average total ticket income growth between 2012 and 2016 lagged inflation by 1.2%. Meanwhile, growth in revenue from other earned sources such as presenter fees & contracts, education/outreach programs, co-productions, and rentals surpassed inflation by 48.2%, and investment income growth surpassed inflation by 106.2%. The average number of subscribers and members was 8.1% lower in 2016 than in 2012, and the average number of subscription and membership tickets sold declined by 10.6%. While the average number of single tickets sold was higher in 2016 than in 2013–2015, it was 2.0% lower than in 2012.

The gift of individual giving: Growth outpaced inflation for most sources of contributed income, with increases in average unrestricted contributed income (including net assets released from restriction and unrestricted capital

campaign contributions) from trustees and other individuals of 100.7% and 18.9%, respectively, between 2012 and 2016.

Investing in people: Total payroll among Trend Theatres grew 12.7% beyond inflation from 2012 to 2016, with increases in every payroll category, and combined compensation for artistic, production/technical, and administrative personnel amounting to 54–55% of total expenses annually during the 5-year period.

A balancing act: Forty-one percent of Trend Theatres were in some kind of capital campaign in 2016, the highest level of the 5 years. Many of these campaigns strengthened theatres' long-term investments and fixed assets, contributing to an 11.7% rise beyond inflation in total asset value. Working capital—the unrestricted resources available to meet day-to-day obligations and cash needs—was negative in each of the 5 years, though it was slightly less negative in 2016 than in 2012.

For further information on the changes experienced by the field between 2012 and 2016 and on differences in income, attendance, and expenses between theatres of various sizes, see the Trend Theatres and Profiled Theatres sections of the full report at <http://www.tcg.org/ResearchAndResources/TheatreFacts.aspx>.

A feature story about *Theatre Facts 2016* that incorporates interviews with a diverse group of theatre leaders across the country was published in the November issue of *American Theatre* magazine and is posted at <http://www.americantheatre.org/2017/11/21/priority-report-theatre-facts-2016/>.

Theatre Communication Group's *Theatre Facts 2016* was written by Zannie Giraud Voss, Professor and Director of the National Center for Arts Research (NCAR) at Southern Methodist University (SMU); Glenn B. Voss, Professor and NCAR Research Director, SMU; Ilana B. Rose, Associate Director of Research & Collective Action, Theatre Communications Group (TCG); Laurie Baskin, Director of Research, Policy & Collective Action, TCG; and Lesley Warren, SMU MA/MBA Class of 2018 and NCAR Research Assistant.

For over 55 years, **Theatre Communications Group** (TCG), the national organization for U.S. theatre, has existed to strengthen, nurture, and promote the professional not-for-profit theatre. TCG's constituency has grown from a handful of groundbreaking theatres to over 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 through the Global Theater Initiative, TCG's partnership with the Laboratory for Global Performance and Politics, serves as the U.S. Center of the International Theatre Institute. TCG is North America's largest independent publisher of dramatic literature, with 15 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. www.tcg.org.

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