



# ARTS &

The Economic Impact of Nonprofit  
Arts and Culture Organizations  
and Their Audiences

# ECONOMIC PROSPERITY IV

in THE STATE OF NORTH CAROLINA



NORTH CAROLINA  
DEPARTMENT OF  
**CULTURAL  
RESOURCES**  
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*Arts and Economic Prosperity IV* was conducted by Americans for the Arts, 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.

## **ABOUT THE NORTH CAROLINA ARTS COUNCIL**

The North Carolina Arts Council works to make North Carolina The Creative State where a robust arts industry produces a creative economy, vibrant communities, children prepared for the 21st century and lives filled with discovery and learning. The Arts Council accomplishes this in partnership with artists and arts organizations, other organizations that use the arts to make their communities stronger and North Carolinians—young and old—who enjoy and participate in the arts. For more information, visit [www.ncarts.org](http://www.ncarts.org).

## **ABOUT THE NORTH CAROLINA DEPARTMENT OF CULTURAL RESOURCES**

The N.C. Arts Council is a division of the N.C. Department of Cultural Resources, which annually serves more than 19 million people through its 27 historic sites, seven history museums, two art museums, the nation's first state-supported Symphony Orchestra, the State Library, the N.C. Arts Council, and the State Archives. The N.C. Department of Cultural Resources serves as a champion for North Carolina's creative industry, which accounts for nearly 300,000 North Carolina jobs and contributes more than \$41 billion in products and services to the state. To learn more, visit [www.ncculture.com](http://www.ncculture.com). The N.C. Department of Cultural Resources, Linda A. Carlisle, Secretary, is an agency of the State of North Carolina, Beverly Eaves Perdue, Governor.

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**"Understanding and acknowledging the incredible economic impact of the nonprofit arts and culture, we must always remember their fundamental value. They foster beauty, creativity, originality, and vitality. The arts inspire us, sooth us, provoke us, involve us, and connect us. But they also create jobs and contribute to the economy."**

— Robert L. Lynch  
President and CEO  
Americans for the Arts

**“This study shows that an investment in the arts is an investment in an industry — one that supports jobs, generates government revenue, and is a cornerstone of tourism.”**

— Linda A. Carlisle  
Secretary  
North Carolina Department of Cultural Resources

# The Arts Mean Business

By Robert L. Lynch, President and CEO, Americans for the Arts

America's artists and arts organizations live and work in every community from coast-to-coast—fueling creativity, beautifying our cities, and improving our quality of life. In my travels across the country, business and government leaders often talk to me about the challenges of funding the arts amid shrinking resources and alongside other pressing needs. They worry about jobs and the economy. Is their region a magnet for attracting and retaining a skilled and innovative workforce? How well are they competing in the high-stakes race to attract new businesses? The findings from *Arts & Economic Prosperity IV* send a clear and welcome message: leaders who care about community and economic vitality can feel good about choosing to invest in the arts.

*Arts & Economic Prosperity IV* is our fourth study of the nonprofit arts and culture industry's impact on the economy. The most comprehensive study of its kind ever conducted, it features customized findings on 182 study regions representing all 50 states and the District of Columbia as well as estimates of economic impact nationally. Despite the economic headwinds that our country faced in 2010, the results are impressive. Nationally, the industry generated \$135.2 billion dollars of economic activity—\$61.1 billion by the nation's nonprofit arts and culture organizations in addition to \$74.1 billion in event-related expenditures by their audiences. This economic activity supports 4.1 million full-time jobs. Our industry also generates \$22.3 billion in revenue to local, state, and federal governments every year—a yield well beyond their collective \$4 billion in arts allocations.

Arts and culture organizations are resilient and entrepreneurial businesses. They employ people locally, purchase goods and services from within the community, and market and promote their regions. Arts organizations are rooted locally; these are jobs that cannot be shipped overseas. Like most industries, the Great Recession left a measurable financial impact on the arts—erasing the gains made during the pre-recession years, and leaving 2010 expenditures three percent behind their 2005 levels. The biggest effect of the recession was on attendance and audience spending. Inevitably, as people lost jobs and worried about losing their houses, arts attendance—like attendance to sports events and leisure travel—waned as well. Yet, even in a down economy, some communities saw an increase in their arts spending and employment. As the economy rebounds, the arts are well poised for growth. They are already producing new and exciting work—performances and exhibitions and festivals that entertain, inspire, and attract audiences.

*Arts & Economic Prosperity IV* shows that arts and culture organizations leverage additional event-related spending by their audiences that pumps revenue into the local economy. When patrons attend an arts event they may pay for parking, eat dinner at a restaurant, shop in local retail stores, and have dessert on the way home. Based on the 151,802 audience-intercept surveys conducted for this study, the typical arts attendee spends \$24.60 per person, per event, beyond the cost of admission.

Communities that draw cultural tourists experience an additional boost of economic activity. Tourism industry research has repeatedly demonstrated that arts tourists stay longer and spend more than the average traveler. *Arts & Economic Prosperity IV* reflects those findings: 32 percent of attendees live outside the county in which the arts event took place, and their event-related spending is more than twice that of their local counterparts (nonlocal: \$39.96 vs. local: \$17.42). The message is clear: a vibrant arts community not only keeps residents and their discretionary spending close to home, it also attracts visitors who spend money and help local businesses thrive.

*Arts & Economic Prosperity IV* demonstrates that America's arts industry is not only resilient in times of economic uncertainty, but is also a key component to our nation's economic recovery and future prosperity. Business and elected leaders need not feel that a choice must be made between arts funding and economic prosperity. This study proves that they can choose both. Nationally, as well as locally, **the arts mean business.**

## From the North Carolina Arts Council

This is the first time that the N.C. Department of Cultural Resources has participated in the national Arts & Economic Prosperity study conducted by Americans for the Arts every five years. The research was implemented statewide by the N.C. Arts Council.

The study included both nonprofit organizations and other community groups that play a substantial role in the cultural life of the community, such as government owned or operated cultural facilities, like State Historic Sites and museums within the Cultural Resources department.

More than 47,500 creative for profit and nonprofit establishments contribute to \$41.4 billion worth of products and services in North Carolina. Nonprofit organizations

representing two percent of the total creative industry contribute 11 percent of the direct gross domestic product of the overall industry spending.

Beyond the intrinsic values of the arts, this study shows that arts organizations are also businesses. They employ people locally, purchase goods and services from within the community, are members of the chamber of commerce and local convention and visitor bureau and are key participants in marketing their cities and regions.

Because arts organizations are strongly rooted in their community the jobs they provide are on the whole local and cannot be shipped overseas. Since 2006 the number of people employed in creative occupations in North Carolina has increased 3.5 percent.

**“Partnerships between nonprofit organizations and the local community make a big difference in our state. Arts councils, arts organizations and other nonprofits are catalysts that reenergize downtowns, attract visitors and build community pride. Creative North Carolina is a key to our state’s future growth and well-being.”**

— Wayne Martin  
Executive Director  
North Carolina Arts Council

# The Economic Impact of the Nonprofit Arts and Culture Industry in the State of North Carolina

*Arts & Economic Prosperity IV* provides compelling new evidence that the nonprofit arts and culture are a significant industry in the State of North Carolina—one that generates \$1.24 billion in total economic activity. This spending—\$659.3 million by nonprofit arts and culture organizations and an additional \$582.6 million in event-related spending by their audiences—supports 43,605 full-time equivalent jobs, generates \$946.7 million in household income to local residents, and delivers \$119.0 million in local and state government revenue. This economic impact study sends a strong signal that when we support the arts, we not only enhance our quality of life, but we also invest in the State of North Carolina’s economic well-being.

The State of North Carolina is one of 182 study regions that participated in *Arts & Economic Prosperity IV*, the most comprehensive study of its kind ever conducted. It documents the economic impact of the nonprofit arts and culture sector in 139 cities and counties, 31 multi-city or multi-county regions, 10 states, and two individual arts districts—representing all 50 U.S. states and the District of Columbia. The diverse study regions range in population (1,600 to four million) and type (rural to large urban). Project economists customized input-output analysis models to calculate specific and reliable findings for each study region. This study focuses solely on the economic impact of nonprofit arts and culture organizations and event-related spending by their audiences. Spending by individual artists and the for-profit arts and culture sector (e.g., Broadway or the motion picture industry) are excluded from this study. For the purpose of this study, the geographic area included in this analysis is defined as **the State of North Carolina**.

## Defining Economic Impact

This proprietary study uses four economic measures to define economic impact: full-time equivalent jobs, resident household income, and local and state government revenues.

**(1) Full-Time Equivalent (FTE) Jobs** describes the total amount of labor employed. Economists measure FTE jobs, not the total number of employees, because it is a more accurate measure that accounts for part-time employment.

**(2) Resident Household Income** (often called Personal Income) includes salaries, wages, and entrepreneurial income paid to local residents. It is the money residents earn and use to pay for food, mortgages, and other living expenses.

**Revenue to (3) Local and (4) State Government** includes revenue from local and state taxes (e.g., income, property, sales, and lodging) as well as funds from license fees, utility fees, filing fees, and other similar sources.

## Economic Impact of the ENTIRE Nonprofit Arts and Culture Industry (Combined Spending by Both Organizations and Their Audiences) in the State of North Carolina

During fiscal year 2010, aggregate nonprofit sector spending by both the State of North Carolina’s nonprofit arts and culture organizations and their audiences totaled \$1.24 billion. The table below demonstrates the total economic impact of this spending.

TOTAL Economic Impact of the Nonprofit Arts and Culture Industry in the State of North Carolina (Spending by Nonprofit Arts and Culture Organizations <u>and</u> Their Audiences)			
	State of North Carolina	Median of Similar Study Regions <i>Pop. = Entire State</i>	National Median
Direct Expenditures	\$1,241,874,488	\$354,779,009	\$49,081,279
Full-Time Equivalent Jobs	43,605	12,394	1,533
Resident Household Income	\$946,707,000	\$310,197,000	\$35,124,500
Local Government Revenue	\$56,632,000	\$17,080,500	\$1,946,500
State Government Revenue	\$62,373,000	\$23,771,000	\$2,498,000

### Direct and Indirect Economic Impact: How a Dollar is Re-spent in the Economy

*Arts & Economic Prosperity IV* uses a sophisticated economic analysis called input-output analysis to measure economic impact. It is a system of mathematical equations that combines statistical methods and economic theory. Input-output analysis enables economists to track how many times a dollar is “re-spent” within the local economy, and the economic impact generated by each round of spending. How can a dollar be re-spent? Consider the following example:

A theater company in the State of North Carolina purchases several gallons of paint from a local hardware store for \$200. The hardware store then uses a portion of the \$200 to pay the sales clerk; the sales clerk re-spends some of the money at a grocery store; the grocery store uses some to pay its cashier; the cashier spends some on rent; and so on ...

Thus, the initial expenditure by the theater company was followed by four additional rounds of local spending (by the hardware store, the sales clerk, the grocery store, and the cashier).

- The economic impact of the theater company’s initial \$200 expenditure is the direct economic impact.
- The economic impacts of the subsequent rounds of local spending are the indirect impacts.
- Eventually, the \$200 dollars will “leak out” of the local economy (i.e., be spent non-locally) and cease to have a local economic impact. In this example, if the theater company purchased the paint from a non-local hardware store there would be no local economic impact. Since the hardware store is located in the State of North Carolina, the dollars remain within the local economy and create at least one more round of local spending by the hardware company.
- The total impact is the sum of the direct impact plus all indirect impacts. **This report provides the total impact.**

A dollar “ripples” very differently through each community, which is why a customized input-output model was created for the State of North Carolina.



**"Mayors understand the connection between the arts industry and city revenues.**

Arts activity creates thousands of direct and indirect jobs and generates billions in government and business revenues. The arts also make our cities destinations for tourists, help attract and retain businesses, and play an important role in the economic revitalization of cities and the vibrancy of our neighborhoods."

— Philadelphia Mayor Michael A. Nutter  
President, **The United States Conference of Mayors** 2012–2013

**"Many businesses support the arts across the country because they intuitively understand that the arts matter,** so it is great to get the facts and a clearer understanding of the links between the arts and economic prosperity."

— Stephen Jordan, Executive Director  
Business Civic Leadership Center  
**U.S. Chamber of Commerce**

"As all budgets—local and national, public and private—continue to reel from the effects of the economic downturn, some may perceive the arts as an unaffordable luxury reserved for only the most prosperous times. Fortunately, this rigorous report offers evidence that **the nonprofit arts industry provides not just cultural benefits to our communities, but also makes significant positive economic contributions to the nation's financial well being regardless of the overall state of the economy.**

This certainly is something to applaud."

— Jonathan Spector  
President & CEO, **The Conference Board**

## Economic Impact of Spending by Nonprofit Arts and Culture ORGANIZATIONS in the State of North Carolina

Nonprofit arts and culture organizations are active contributors to their business community. They are employers, producers, and consumers. They are members of the chamber of commerce as well as key partners in the marketing and promotion of their cities, regions, and states. Spending by nonprofit arts and culture organizations totaled \$659.3 million in the State of North Carolina during fiscal year 2010. This spending is far-reaching: organizations pay employees, purchase supplies, contract for services, and acquire assets within their community. These actions, in turn, support jobs, create household income, and generate revenue to the local and state governments.

North Carolina’s nonprofit arts and culture organizations provide rewarding employment for more than just administrators, artists, curators, choreographers, and musicians. They also employ financial staff, facility managers, and salespeople. In addition, the spending by these organizations directly supports a wide array of other occupations spanning many industries (e.g., printing, event planning, legal, construction, and accounting).

Data were collected from 957 eligible nonprofit arts and culture organizations in North Carolina. Each provided detailed budget information about more than 40 expenditure categories for fiscal year 2010 (e.g., labor, payments to local and nonlocal artists, operations, administration, programming, facilities, and capital expenditures/asset acquisition). The following tables demonstrates the total economic impacts of their aggregate spending.

<b>TOTAL Economic Impact of Spending by Nonprofit Arts and Culture ORGANIZATIONS in the State of North Carolina</b>			
	<b>State of North Carolina</b>	<b>Median of Similar Study Regions <i>Pop. = Entire State</i></b>	<b>National Median</b>
Direct Expenditures	<b>\$659,296,614</b>	\$221,745,998	\$23,141,643
Full-Time Equivalent Jobs	<b>25,824</b>	9,224	791
Resident Household Income	<b>\$561,257,000</b>	\$217,373,500	\$19,488,000
Local Government Revenue	<b>\$20,730,000</b>	\$10,706,500	\$867,000
State Government Revenue	<b>\$28,891,000</b>	\$13,341,500	\$1,010,000

## **An Economic Impact Beyond Dollars: Volunteerism**

While arts volunteers may not have an economic impact as defined in this study, they clearly have an enormous impact by helping the State of North Carolina's nonprofit arts and culture organizations function as a viable industry. *Arts & Economic Prosperity IV* reveals a significant contribution to nonprofit arts and culture organizations as a result of volunteerism. During 2010, a total of 89,864 volunteers donated a total of 2,966,126 hours to the State of North Carolina's participating nonprofit arts and culture organizations. This represents a donation of time with an estimated aggregate value of \$55,763,169 (Independent Sector estimates the dollar value of the average 2010 volunteer hour in North Carolina to be \$18.80).

The 957 participating organizations reported an average of 33.0 volunteers who volunteered an average of 93.9 hours, for a total of 3,099 hours per organization.

## **The Value of In-Kind Contributions to Arts Organizations**

The participating organizations were asked about the sources and value of their in-kind support. In-kind contributions are non-cash donations such as materials (e.g., office supplies from a local retailer), facilities (e.g., rent), and services (e.g., printing costs from a local printer). The 957 participating nonprofit arts and culture organizations in the State of North Carolina reported that they received in-kind contributions with an aggregate value of \$24,019,970 during fiscal year 2010. These contributions were received from a variety of sources including corporations, individuals, local and state arts agencies, and government.

"At Aetna, we encourage our employees to be active volunteers. It's good for the employee, good for the community, and a source of corporate pride. The research also makes clear that employees who are engaged in the community are more engaged at the workplace—and that is good for business. Arts organizations are part of the fabric of a healthy community, so we are delighted to provide incentives to our workers to be regular arts volunteers."

— Floyd W. Green, III  
Head of Community Relations and Urban Marketing  
Aetna

## Economic Impact of Spending by Nonprofit Arts and Culture AUDIENCES in the State of North Carolina

The nonprofit arts and culture industry, unlike most industries, leverages a significant amount of event-related spending by its audiences. For example, when patrons attend a cultural event, they may pay to park their car, purchase dinner at a restaurant, shop in nearby stores, eat dessert after the show, and pay a babysitter upon their return home. Attendees from out of town may spend the night in a hotel. This spending generates related commerce for local businesses such as restaurants, parking garages, retail stores, and hotels.

To measure the impact of nonprofit arts and culture audiences in the State of North Carolina, data were collected from 19,196 event attendees during 2011. Researchers used an audience-intercept methodology, a standard technique in which patrons complete a written survey about their event-related spending while attending the event. In the State of North Carolina, arts attendees spend an average of \$23.37 per person, per event as a direct result of their attendance to the event. Local businesses that cater to arts and culture audiences reap the rewards of this economic activity.

The 957 participating nonprofit arts and culture organizations reported that the aggregate attendance to their events was 25.8 million during 2010. These attendees spent an estimated total of \$582.6 million, excluding the cost of event admission. The following table demonstrate the total impacts of this spending.

<b>TOTAL Economic Impact of Spending by Nonprofit Arts and Culture AUDIENCES in the State of North Carolina (excluding the cost of event admission*)</b>			
	<b>State of North Carolina</b>	<b>Median of Similar Study Regions Pop. Entire State</b>	<b>National Median</b>
Direct Expenditures**	<b>\$582,577,874</b>	\$136,854,468	\$21,573,435
Full-Time Equivalent Jobs	<b>17,781</b>	3,170	643
Resident Household Income	<b>\$385,450,000</b>	\$72,371,500	\$12,823,000
Local Government Revenue	<b>\$35,902,000</b>	\$5,583,000	\$1,084,000
State Government Revenue	<b>\$33,482,000</b>	\$9,342,000	\$1,334,000

\* Why exclude the cost of admission? The admissions paid by attendees are excluded from the analysis because those dollars are captured in the operating budgets of the participating nonprofit arts and culture organizations and, in turn, are spent by the organization. This methodology avoids “double-counting” those dollars in the study analysis.

\*\* To calculate the total estimated audience expenditures in the State of North Carolina, first the audience expenditure findings for the individual participating communities that are located within the State (Transylvania County, Watauga County, Lenoir County, Rutherford County, Moore County, Wayne County, Orange County, Pitt County, New Hanover County, Buncombe County, Durham County, Cumberland County, Forsyth County, Guilford County, Wake County, and Mecklenburg County) were summed. The State’s residency percentages and the average per person arts-related expenditure for residents and non-residents then were applied to any additional attendance data collected from organizations located within the State but outside of the individual participating communities. Finally, the results were added to the aggregate of the individual participating communities. Therefore, the total audience expenditures for the State of North Carolina do not equal the State’s average per person event-related expenditure for residents multiplied by the State’s total estimated resident attendance plus the State’s average per person event-related expenditure for non-residents multiplied by the State’s total estimated non-resident attendance.

## Cultural Travelers Spend More

The 19,196 audience survey respondents were asked to provide the ZIP code of their primary residence, enabling researchers to determine which attendees were local residents (live within the State of North Carolina) and which were non-residents (live outside the State of North Carolina). In the State of North Carolina, researchers estimate that 90.1 percent of the 25.8 million nonprofit arts attendees were residents; 9.9 percent were non-residents.

Non-resident attendees spend an average of 237 percent more per person than local attendees (\$63.79 vs. \$18.91) as a result of their attendance to cultural events. As would be expected from a traveler, higher spending was typically found in the categories of lodging, meals, and transportation. When a community attracts cultural visitors, it harnesses significant economic rewards.

<b>Event-Related Spending by Arts and Culture Event Attendees Totaled \$582.6 million in the State of North Carolina (excluding the cost of event admission)</b>			
	<b>Residents</b>	<b>Non-Residents</b>	<b>All State of North Carolina Event Attendees</b>
Total Attendance	23,215,362	2,550,856	25,766,218
Percent of Attendees	90.1 percent	9.9 percent	100 percent
Average Dollars Spent Per Attendee	\$18.91	\$63.79	\$23.37
<b>Direct Event-Related Expenditures</b>	<b>\$302,764,334</b>	<b>\$279,813,540</b>	<b>\$582,577,874</b>

<b>Nonprofit Arts and Culture Event Attendees Spend an Average of \$23.37 Per Person in the State of North Carolina (excluding the cost of event admission)</b>			
	<b>Residents</b>	<b>Non-Residents</b>	<b>All State of North Carolina Event Attendees</b>
Refreshments/Snacks During Event	\$2.25	\$4.33	\$2.46
Meals Before/After Event	\$7.66	\$16.44	\$8.53
Souvenirs and Gifts	\$2.54	\$7.84	\$3.07
Clothing and Accessories	\$1.09	\$1.85	\$1.17
Ground Transportation	\$2.21	\$8.71	\$2.86
Event-Related Child Care	\$0.27	\$0.30	\$0.27
Overnight Lodging ( <i>one night only</i> )	\$2.17	\$21.00	\$4.04
Other	\$0.72	\$3.32	\$0.97
<b>Total Per Person Spending</b>	<b>\$18.91</b>	<b>\$63.79</b>	<b>\$23.37</b>

## Cultural Events Attract New Dollars and Retain Local Dollars

North Carolina’s nonprofit arts and culture sector provides attractions that draw visitors to the community. In fact, 51.2 percent of all non-resident survey respondents reported that the primary reason for their trip was “specifically to attend this arts/cultural event.”

In addition, 21.7 percent of North Carolina’s non-resident survey respondents reported that they will spend at least one night away from home in the State of North Carolina as a direct result of attending the cultural event. Non-resident attendees who stay overnight in paid lodging spend an average of \$178.53 per person as a result of their attendance—significantly more than the overall per person average for all non-resident attendees to events in the State of North Carolina, \$63.79.

Finally, the audience survey respondents were asked, “If this event were not happening, would you have traveled to another community to attend a similar cultural experience?”

- 46.2 percent of the State of North Carolina’s resident cultural attendees report that *they would have traveled to a different community in order to attend a similar cultural experience.*
- 52.1 percent of the State of North Carolina’s non-resident cultural attendees report *the same.*

These figures demonstrate the economic impact of the nonprofit arts and culture in the purest sense. If a community does not provide a variety of artistic and cultural experiences, it will fail to attract the new dollars of cultural travelers. It will also lose the discretionary spending of its local residents who will travel elsewhere to experience the arts.

"As a banker, I have visited businesses in almost every city and town in Oklahoma. There is a visible difference in places with a vibrant arts community. I see people looking for places to park, stores staying open late, and restaurants packed with diners ... the business day is extended and the cash registers are ringing."

— Ken Fergeson  
Chairman & CEO, NBanC  
Past President, American Bankers Association

### Cultural Attendees are Artists!

- 52.9 percent of the State of North Carolina’s arts attendees report that they actively participate in the creation of the arts (e.g., sing in a choir, act in a community play, paint or draw, play an instrument).

## North Carolina's Economic Development Regions (Fiscal Year 2010)

### Total Economic Impact of Nonprofit Arts and Culture Industry (Spending by Nonprofit Arts and Culture Organizations PLUS Spending by Arts Audiences)

Economic Development Region	Direct Economic Activity	Full-Time Equivalent Jobs	Resident Household Income	Local Government Revenue	State Government Revenue
Advantage West	\$140,035,946	4,655	\$107,849,000	\$6,328,000	\$6,283,000
Charlotte Regional Partnership	\$261,451,926	7,866	\$189,128,000	\$11,538,000	\$12,592,000
North Carolina's Eastern Region	\$35,172,262	1,493	\$31,098,000	\$1,611,000	\$1,622,000
Northeast Commission	\$26,375,437	839	\$19,631,000	\$1,242,000	\$1,351,000
Piedmont Triad	\$274,705,614	9,746	\$212,804,000	\$13,091,000	\$15,597,000
Research Triangle	\$390,117,562	14,882	\$308,394,000	\$17,707,000	\$19,725,000
North Carolina's Southeast	\$114,015,741	4,124	\$77,803,000	\$5,115,000	\$5,203,000
<b>STATE OF NORTH CAROLINA</b>	<b>\$1,241,874,488</b>	<b>43,605</b>	<b>\$946,707,000</b>	<b>\$56,632,000</b>	<b>\$62,373,000</b>

### Total Economic Impact of Spending by NONPROFIT ARTS AND CULTURE ORGANIZATIONS Only

Economic Development Region	Total Direct Expenditures	Full-Time Equivalent Jobs	Resident Household Income	Local Government Revenue	State Government Revenue
Advantage West	\$79,333,828	2,942	\$65,281,000	\$2,095,000	\$2,472,000
Charlotte Regional Partnership	\$119,952,645	4,012	\$96,541,000	\$3,384,000	\$5,328,000
North Carolina's Eastern Region	\$18,905,698	974	\$19,514,000	\$676,000	\$696,000
Northeast Commission	\$11,418,651	452	\$10,194,000	\$374,000	\$520,000
Piedmont Triad	\$124,412,856	4,516	\$107,518,000	\$3,834,000	\$6,211,000
Research Triangle	\$231,346,744	10,087	\$212,205,000	\$7,579,000	\$10,910,000
North Carolina's Southeast	\$73,926,192	2,841	\$50,004,000	\$2,788,000	\$2,754,000
<b>STATE OF NORTH CAROLINA</b>	<b>\$659,296,614</b>	<b>25,824</b>	<b>\$561,257,000</b>	<b>\$20,730,000</b>	<b>\$28,891,000</b>

### Total Economic Impact of Spending by ARTS AND CULTURE AUDIENCES Only

Economic Development Region	Total Direct Expenditures	Full-Time Equivalent Jobs	Resident Household Income	Local Government Revenue	State Government Revenue
Advantage West	\$60,702,118	1,713	\$42,568,000	\$4,233,000	\$3,811,000
Charlotte Regional Partnership	\$141,499,281	3,854	\$92,587,000	\$8,154,000	\$7,264,000
North Carolina's Eastern Region	\$16,266,564	519	\$11,584,000	\$935,000	\$926,000
Northeast Commission	\$14,956,786	387	\$9,437,000	\$868,000	\$831,000
Piedmont Triad	\$150,292,758	5,230	\$105,286,000	\$9,257,000	\$9,386,000
Research Triangle	\$158,770,818	4,795	\$96,189,000	\$10,128,000	\$8,815,000
North Carolina's Southeast	\$40,049,549	1,283	\$27,799,000	\$2,327,000	\$2,449,000
<b>STATE OF NORTH CAROLINA</b>	<b>\$582,577,874</b>	<b>17,781</b>	<b>\$385,450,000</b>	<b>\$35,902,000</b>	<b>\$33,482,000</b>

# Conclusion

The nonprofit arts and culture are a \$1.24 billion industry in the State of North Carolina—one that supports 43,605 full-time equivalent jobs and generates \$119.0 million in local and state government revenue. Nonprofit arts and culture organizations, which spend \$659.3 million annually, leverage a remarkable \$582.6 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 IV* reinforces our research documenting how **creativity means business in North Carolina.**

"A vibrant arts environment stimulates and sustains a richer quality of life and economic health. In Delaware, where the arts are among our top 10 employers, we see how the arts contribute to the renaissance of downtown areas, enhance our educational system, and attract new businesses and residents to the state."

— Governor Jack A. Markell  
Chair, National Governors Association



# The Arts & Economic Prosperity IV Calculator

To make it easier to compare the economic impacts of different organizations within the State of North Carolina, the project researchers calculated the economic impact per \$100,000 of direct spending by nonprofit arts and culture organizations and their audiences.

## Economic Impact Per \$100,000 of Direct Spending by ORGANIZATIONS

For every \$100,000 in direct spending by a nonprofit arts and culture organization in the State of North Carolina, there was the following total economic impact.

**TABLE 1:**  
Ratios of Economic Impact Per \$100,000 of Direct Spending by Nonprofit Arts and Culture Organizations in the State of North Carolina

	State of North Carolina	Median of Similar Study Regions <i>Pop. = Entire State</i>	National Median
Full-Time Equivalent Jobs	3.92	3.62	3.46
Resident Household Income	\$85,130	\$88,670	\$82,084
Local Government Revenue	\$3,144	\$3,683	\$3,819
State Government Revenue	\$4,382	\$5,514	\$4,656

### An Example of How to Use the Organizational Spending Calculator Table (above):

An administrator from a nonprofit arts and culture organization that has total expenditures of \$250,000 wants to determine the organization's total economic impact on full-time equivalent (FTE) employment in the State of North Carolina. The administrator would:

1. Determine the amount spent by the nonprofit arts and culture organization;
2. Divide the total expenditure by 100,000; and
3. Multiply that figure by the FTE employment ratio per \$100,000 for the State of North Carolina.

Thus, \$250,000 divided by 100,000 equals 2.5; 2.5 times 3.92 (from the top row of data on Table 1 above) equals a total of 9.8 full-time equivalent jobs supported (both directly and indirectly) within the State of North Carolina by that nonprofit arts and culture organization. Using the same procedure, the estimate can be calculated for resident household income and local and state government revenue.

## Economic Impact Per \$100,000 of Direct Spending by AUDIENCES

The economic impact of event-related spending by arts audiences can also be derived for individual or groups of nonprofit arts and culture organizations and events in the State of North Carolina.

The first step is to determine the total estimated event-related spending by arts and culture event attendees (excluding the cost of admission). To derive this figure, multiply the average per person event-related expenditure in the State of North Carolina by the total event attendance. The ratios of economic impact per \$100,000 in direct spending can then be used to determine the total economic impact of the total estimated audience spending.

**TABLE 2:**  
Average Per Person Event-Related Spending by All Arts and Culture Event Attendees  
in the State of North Carolina (excluding the cost of event admission)

	State of North Carolina	Median of Similar Study Regions <i>Pop. = Entire State</i>	National Median
Refreshments/Snacks During Event	\$2.46	\$2.58	\$3.02
Meals Before/After Event	\$8.53	\$8.92	\$10.12
Souvenirs and Gifts	\$3.07	\$2.49	\$2.74
Clothing and Accessories	\$1.17	\$0.97	\$1.31
Ground Transportation	\$2.86	\$2.32	\$2.65
Event-Related Child Care	\$0.27	\$0.31	\$0.36
Overnight Lodging ( <i>one night only</i> )	\$4.04	\$2.48	\$3.51
Other	\$0.97	\$1.02	\$0.89
<b>Total Per Person Spending</b>	<b>\$23.37</b>	<b>\$22.71</b>	<b>\$24.60</b>

**TABLE 3:**  
Ratios of Economic Impact Per \$100,000 of Direct Spending by Nonprofit Arts and Culture Audiences  
in the State of North Carolina

	State of North Carolina	Median of Similar Study Regions <i>Pop. = Entire State</i>	National Median
Full-Time Equivalent Jobs	3.05	2.67	2.69
Resident Household Income	\$66,163	\$63,913	\$57,140
Local Government Revenue	\$6,163	\$4,929	\$5,100
State Government Revenue	\$5,747	\$6,901	\$5,802

### **An Example of How to Use the Audience Spending Calculator Tables** (on the preceding page):

An administrator wants to determine the total economic impact of the 25,000 total attendees to his/her organization's nonprofit arts and culture events on full-time equivalent (FTE) employment in the State of North Carolina. The administrator would:

1. Determine the total estimated audience spending by multiplying the average per person expenditure for the State of North Carolina by the total attendance to nonprofit arts and culture events;
2. Divide the resulting total estimated audience spending by 100,000; and
3. Multiply that figure by the FTE employment ratio per \$100,000 for the State of North Carolina.

Thus, 25,000 times \$23.37 (from the bottom row of data on Table 2 on the preceding page) equals \$584,250; \$584,250 divided by 100,000 equals 5.84; 5.84 times 3.05 (from the top row of data on Table 3 on the preceding page) equals a total of 17.8 full-time equivalent jobs supported (both directly and indirectly) within the State of North Carolina by that nonprofit arts and culture organization. Using the same procedure, the estimate can be calculated for resident household income and local and state government revenue.

## **Making Comparisons with Similar Study Regions**

For the purpose of this research project, the geographic region being studied is defined as the State of North Carolina. According to the most recent data available from the U.S. Census Bureau, the population of the State of North Carolina was estimated to be 9,380,884 during 2010. For comparison purposes, more than 300 pages of detailed data tables containing the study results for all 182 participating study regions are located in Appendix B of the National Statistical Report. The data tables are stratified by population, making it easy to compare the findings for the State of North Carolina to the findings for similarly populated study regions (as well as any other participating study regions that are considered valid comparison cohorts).

**All of the national study publications are available both by download (free) and hardcopy (for purchase) at [www.AmericansForTheArts.org/EconomicImpact](http://www.AmericansForTheArts.org/EconomicImpact).**

"The success of my family's business depends on finding and cultivating a creative and innovative workforce. I have witnessed firsthand the power of the arts in building these business skills. When we participate personally in the arts, we strengthen our 'creativity muscles,' which makes us not just a better ceramicist or chorus member, but a more creative worker—better able to identify challenges and innovative business solutions. This is one reason why the arts remain an important part of my personal and corporate philanthropy."

— Christopher Forbes, Vice Chairman, Forbes, Inc.

"Disney has a rich legacy in animation, film and storytelling, so naturally **we consider the arts to be an essential part of our business, as well as an essential element of our communities.** We have seen how the arts not only enrich American life, but also support millions of jobs across the country, generate billions of dollars in economic impact, and help drive the family-vacation industry. By investing in the arts, we plant seeds for the future and make our communities better places to live."

— Meg Crofton, President,  
**Walt Disney World Parks & Resorts Operations, U.S. and France**

# About This Study

The *Arts & Economic Prosperity IV* study was conducted by Americans for the Arts to document the economic impact of the nonprofit arts and culture industry in 182 communities and regions (139 cities and counties, 31 multi-city or multi-county regions, and 10 states, and two individual arts districts)—representing all 50 U.S. states and the District of Columbia.

The diverse communities range in population (1,600 to four million) and type (rural to urban). The study focuses solely on nonprofit arts and culture organizations and their audiences. Public arts councils and public presenting facilities/institutions are included as are select programs embedded within another organization (that have their own budget and play a substantial role in the cultural life of the community). The study excludes spending by individual artists and the for-profit arts and entertainment sector (e.g., Broadway or the motion picture industry). Detailed expenditure data were collected from 9,731 arts and culture organizations and 151,802 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 about their nonprofit arts and culture industry, specifically full-time equivalent jobs, household income, and local and state government revenue.

## The 182 Local, Regional, and Statewide Study Partners

Americans for the Arts published a Call for Participants in 2010 seeking communities interested in participating in the *Arts & Economic Prosperity IV* study. Of the more than 200 potential partners that expressed interest, 182 agreed to participate and complete four participation criteria: (1) identify and code the universe of nonprofit arts and culture organizations in their study region; (2) assist

researchers with the collection of detailed financial and attendance data from those organizations; (3) conduct audience-intercept surveys at cultural events; and (4) pay a modest cost-sharing fee (no community was refused participation for an inability to pay).

**The North Carolina Arts Council responded to the 2010 Call for Participants, and agreed to complete the required participation criteria.**

## Surveys of Nonprofit Arts and Culture ORGANIZATIONS

Each of the 182 study regions attempted to identify its comprehensive universe of nonprofit arts and culture organizations using the Urban Institute’s National Taxonomy of Exempt Entity (NTEE) coding system as a guideline. The NTEE system—developed by the National Center for Charitable Statistics at the Urban Institute—is a definitive classification system for nonprofit organizations recognized as tax exempt by the Internal Revenue Code. This system divides the entire universe of nonprofit organizations into 10 Major categories, including “Arts, Culture, and Humanities.” The Urban Institute reports that 113,000 nonprofit arts and culture organizations were registered with the IRS in 2010, up from 94,450 in 2005.

The following NTEE “Arts, Culture, and Humanities” subcategories were included in this study:

- A01 – Alliances and Advocacy
- A02 – Management and Technical Assistance
- A03 – Professional Societies and Associations
- A05 – Research Institutes and Public Policy Analysis
- A11 – Single Organization Support
- A12 – Fund Raising and Fund Distribution
- A19 – Support (not elsewhere classified)
- A20 – Arts and Culture (general)
- A23 – Cultural and Ethnic Awareness
- A24 – Folk Arts
- A25 – Arts Education
- A26 – Arts and Humanities Councils and Agencies
- A27 – Community Celebrations
- A30 – Media and Communications (general)
- A31 – Film and Video
- A32 – Television
- A33 – Printing and Publishing
- A34 – Radio
- A40 – Visual Arts (general)
- A50 – Museums (general)
- A51 – Art Museums
- A52 – Children’s Museums
- A53 – Folk Arts Museums
- A54 – History Museums
- A56 – Natural History and Natural Science Museums
- A57 – Science and Technology Museums
- A60 – Performing Arts (general)
- A61 – Performing Arts Centers
- A62 – Dance
- A63 – Ballet
- A65 – Theatre
- A68 – Music
- A69 – Symphony Orchestras
- A6A – Opera
- A6B – Singing and Choral Groups
- A6C – Bands and Ensembles
- A6E – Performing Arts Schools
- A70 – Humanities (general)
- A80 – Historical Organizations (general)
- A82 – Historical Societies and Historic Preservation
- A84 – Commemorative Events
- A90 – Arts Services (general)
- A99 – Arts, Culture, and Humanities (miscellaneous)

In addition to the organization types above, the study partners were encouraged to include other types of eligible organizations if they play a

substantial role in the cultural life of the community or if their primary purpose is to promote participation in, appreciation for, and understanding of the visual, performing, folk, and media arts. These include government-owned or government-operated cultural facilities and institutions, municipal arts agencies and councils, private community arts organizations, unincorporated arts groups, living collections (such as zoos, aquariums, and botanical gardens), university presenters, and arts programs that are embedded under the umbrella of a non-arts organization or facility (such as a community center or church). In short, if it displays the characteristics of a nonprofit arts and culture organization, it is included. For-profit businesses and individual artists were excluded from this study.

Nationally, detailed information was collected from 9,721 eligible organizations about their fiscal year 2010 expenditures in more than 40 expenditure categories (e.g., labor, local and non-local artists, operations, materials, facilities, and asset acquisition) as well as about their event attendance, in-kind contributions, and volunteerism. Responding organizations had budgets ranging from a low of \$0 to a high of \$239.7 million. Response rates for the 182 communities averaged 43.2 percent and ranged from 5.3 percent to 100 percent. It is important to note that each study region’s results are based solely on the actual survey data collected. No estimates have been made to account for non-respondents. Therefore, the less-than-100 percent response rates suggest an understatement of the economic impact findings in most of the individual study regions.

**In the State of North Carolina, 957 of the approximately 3,037 total eligible nonprofit arts and culture organizations identified by the North Carolina Arts Council and its local study partners participated in this study—an overall participation rate of 32 percent.**

## **Surveys of Nonprofit Arts and Culture AUDIENCES**

Audience-intercept surveying, a common and accepted research method, was conducted in all 182 of the study regions to measure event-related spending by nonprofit arts and culture audiences. Patrons were asked to complete a short survey while attending an event. Nationally, a total of 151,802 valid and usable attendees completed the survey for an average of 834 surveys per study region. The randomly selected respondents provided itemized expenditure data on attendance-related activities such as meals, souvenirs, transportation, and lodging. Data were collected throughout 2011 (to guard against seasonal spikes or drop-offs in attendance) as well as at a broad range of both paid and free events (a night at the opera will typically yield more spending than a weekend children's theater production or a free community music festival, for example). The survey respondents provided information about the entire party with whom they were attending the event. With an overall average travel party size of 2.69 people, these data actually represent the spending patterns of more than 408,000 attendees.

**In the State of North Carolina, a total of 19,196 valid and usable audience-intercept surveys were collected from attendees to arts and culture performances, events, and exhibits during 2011.**

### **Economic Analysis**

A common theory of community growth is that an area must export goods and services if it is to prosper economically. This theory is called economic-base theory, and it depends on dividing the economy into two sectors: the export sector and the local sector. Exporters, such as automobile manufacturers, hotels, and department stores, obtain income from customers outside of the community. This "export income" then enters the local economy in the form of salaries, purchases of materials,

dividends, and so forth, and becomes income to local residents. Much of it is re-spent locally; some, however, is spent for goods imported from outside of the community. The dollars re-spent locally have an economic impact as they continue to circulate through the local economy. This theory applies to arts organizations as well as to other producers.

### **Studying Economic Impact Using Input-Output Analysis**

To derive the most reliable economic impact data, input-output analysis is used to measure the impact of expenditures by nonprofit arts and culture organizations and their audiences. This is a highly regarded type of economic analysis that has been the basis for two Nobel Prizes. The models are systems of mathematical equations that combine statistical methods and economic theory in an area of study called econometrics. They trace how many times a dollar is re-spent within the local economy before it leaks out, and it quantifies the economic impact of each round of spending. This form of economic analysis is well suited for this study because it can be customized specifically to each study region.

To complete the analysis for the State of North Carolina, project economists customized an input-output model based on the local dollar flow between 533 finely detailed industries within the economy of North Carolina. This was accomplished by using detailed data on employment, incomes, and government revenues provided by the U.S. Department of Commerce (County Business Patterns, the Regional Economic Information System, and the Survey of State and Local Finance), local tax data (sales taxes, property taxes, and miscellaneous local option taxes), as well as the survey data from the responding nonprofit arts and culture organizations and their audiences.

## The Input-Output Process

The input-output model is based on a table of 533 finely detailed industries showing local sales and purchases. The local and state economy of each community is researched so the table can be customized for each community. The basic purchase patterns for local industries are derived from a similar table for the U.S. economy for 2007 (the latest detailed data available from the U.S. Department of Commerce). The table is first reduced to reflect the unique size and industry mix of the local economy, based on data from County Business Patterns and the Regional Economic Information System of the U.S. Department of Commerce. It is then adjusted so that only transactions with local businesses are recorded in the inter-industry part of the table. This technique compares supply and demand and estimates the additional imports or exports required to make total supply equal total demand. The resulting table shows the detailed sales and purchase patterns of the local industries. The 533-industry table is then aggregated to reflect the general activities of 32 industries plus local households, creating a total of 33 industries. To trace changes in the economy, each column is converted to show the direct requirements per dollar of gross output for each sector. This direct-requirements table represents the “recipe” for producing the output of each industry.

The economic impact figures for *Arts & Economic Prosperity IV* were computed using what is called an “iterative” procedure. This process uses the sum of a power series to approximate the solution to the economic model. This is what the process looks like in matrix algebra:

$$T = IX + AX + A^2X + A^3X + \dots + A^nX.$$

T is the solution, a column vector of changes in each industry’s outputs caused by the changes represented in the column vector X. A is the 33 by 33 direct-requirements matrix. This equation is used

to trace the direct expenditures attributable to nonprofit arts organizations and their audiences. A multiplier effect table is produced that displays the results of this equation. The total column is T. The initial expenditure to be traced is IX (I is the identity matrix, which is operationally equivalent to the number 1 in ordinary algebra). Round 1 is AX, the result of multiplying the matrix A by the vector X (the outputs required of each supplier to produce the goods and services purchased in the initial change under study). Round 2 is A<sup>2</sup>X, which is the result of multiplying the matrix A by Round 1 (it answers the same question applied to Round 1: “What are the outputs required of each supplier to produce the goods and services purchased in Round 1 of this chain of events?”). Each of columns 1 through 12 in the multiplier effects table represents one of the elements in the continuing but diminishing chain of expenditures on the right side of the equation. Their sum, T, represents the total production required in the local economy in response to arts activities.

Calculation of the total impact of the nonprofit arts on the outputs of other industries (T) can now be converted to impacts on the final incomes to local residents by multiplying the outputs produced by the ratios of household income to output and employment to output. Thus, the employment impact of changes in outputs due to arts expenditures is calculated by multiplying elements in the column of total outputs by the ratio of employment to output for the 32 industries in the region. Changes in household incomes, local government revenues, and state government revenues due to nonprofit arts expenditures are similarly transformed. The same process is also used to show the direct impact on incomes and revenues associated with the column of direct local expenditures.

**A comprehensive description of the methodology used to complete the national study is available at [www.AmericansForTheArts.org/EconomicImpact](http://www.AmericansForTheArts.org/EconomicImpact).**



# Frequently Used Terms

Glossary of economic impact terminology

## **Cultural Tourism**

Travel directed toward experiencing the arts, heritage, and special character of a place.

## **Direct Economic Impact**

A measure of the economic effect of the initial expenditure within a community. For example, when the symphony pays its players, each musician's salary, the associated government taxes, and full-time equivalent employment status represent the direct economic impact.

## **Direct Expenditures**

The first round of expenditures in the economic cycle. A paycheck from the symphony to the violin player and a ballet company's purchase of dance shoes are examples of direct expenditures.

## **Econometrics**

The process of using statistical methods and economic theory to develop a system of mathematical equations that measures the flow of dollars between local industries. The input-output model developed for this study is an example of an econometric model.

## **Econometrician**

An economist who designs, builds, and maintains econometric models.

## **Full-Time Equivalent (FTE) Jobs**

A term that describes the total amount of labor employed. Economists measure FTE jobs—not the total number of employees—because it is a more accurate measure of total employment. It is a manager's discretion to hire one full-time employee, two half-time employees, four quarter-time employees, etc. Almost always, more people are affected than are reflected in the number of FTE jobs reported due to the abundance of part-time employment, especially in the nonprofit arts and culture industry.

## **Indirect Economic Impact**

Each time a dollar changes hands, there is a measurable economic impact. When people and businesses receive money, they re-spend much of that money locally. Indirect impact measures the effect of this re-spending on jobs, household income, and revenue to local and state government. It is often referred to as secondary spending or the dollars "rippling" through a community. When funds are eventually spent non-locally, they are considered to have "leaked" out of the community and therefore cease to have a local economic impact. Indirect impact includes the impact of all rounds of spending (except for the initial expenditure) until the dollars have completely "leaked out" of the local economy.

## **Input-Output Analysis**

A system of mathematical equations that combines statistical methods and economic theory in an area of economic study called econometrics. Economists use this model (occasionally called an inter-industry model) to measure how many times a dollar is re-spent in, or “ripples” through, a community before it “leaks out” of the local economy by being spent non-locally (see Leakage below). The model is based on a matrix that tracks the dollar flow between 533 finely detailed industries in each community. It allows researchers to determine the economic impact of local spending by nonprofit arts and culture organizations on jobs, household income, and government revenue.

## **Leakage**

The money that community members spend outside of the local economy. This non-local spending has no economic impact within the community. A ballet company purchasing shoes from a non-local manufacturer is an example of leakage. If the shoe company were local, the expenditure would remain within the community and create another round of spending by the shoe company.

## **Multiplier** (often called Economic Activity Multiplier)

An estimate of the number of times that a dollar changes hands within the community before it leaks out of the community (for example, the theater pays the actor, the actor spends money at the grocery store, the grocery store pays its cashier, and so on). This estimate is quantified as one number by which all expenditures are multiplied. For example, if the arts are a \$10 million industry and a multiplier of three is used, then it is estimated that these arts organizations have a total economic impact of \$30 million. The convenience of a multiplier is that it is one simple number; its shortcoming, however, is its reliability. Users rarely note that the multiplier is developed by making gross estimates of the industries within the local economy with no allowance for differences in the characteristics of those industries, usually resulting in an overestimation of the economic impact. In contrast, the input-output model employed in *Arts & Economic Prosperity IV* is a type of economic analysis tailored specifically to each community and, as such, provides more reliable and specific economic impact results.

## **Resident Household Income** (often called Personal Income)

The salaries, wages, and entrepreneurial income residents earn and use to pay for food, mortgages, and other living expenses. It is important to note that resident household income is not just salary. When a business receives money, for example, the owner usually takes a percentage of the profit, resulting in income for the owner.

## **Revenue to Local and State Government**

Local and state government revenue is not derived exclusively from income, property, sales, and other taxes. It also includes license fees, utility fees, user fees, and filing fees. Local government revenue includes funds to city and county government, schools, and special districts.

# Frequently Asked Questions

This section answers some common questions about this study and the methodology used to complete it.

## **How were the 182 participating communities and regions selected?**

In 2010, Americans for the Arts published a Call for Participants for communities interested in participating in the *Arts & Economic Prosperity IV* study. Of the more than 200 participants that expressed interest, 182 agreed to participate and complete four participation criteria: (1) identify and code the universe of nonprofit arts and culture organizations in their study region; (2) assist researchers with the collection of detailed financial and attendance data from those organizations; (3) conduct audience-intercept surveys at cultural events; and (4) pay a modest cost-sharing fee (no community was refused participation for an inability to pay).

## **How were the eligible nonprofit arts organizations in each community selected?**

Local partners attempted to identify their universe of nonprofit arts and culture organizations using the Urban Institute's National Taxonomy of Exempt Entity (NTEE) codes as a guideline. Eligible organizations included those whose primary purpose is to promote appreciation for and understanding of the visual, performing, folk, and media arts. Public arts councils, public presenting facilities or institutions, and embedded organizations that have their own budget also were included if they play a substantial role in the cultural life of the community. For-profit businesses and individual artists are excluded from this study.

## **What type of economic analysis was done to determine the study results?**

An input-output analysis model was customized for each of the participating communities and regions to determine the local economic impact their nonprofit arts and culture organizations and arts audiences. Americans for the Arts, which conducted the research, worked with highly regarded economists to design the input-output model used for this study.

## **What other information was collected in addition to the arts surveys?**

In addition to detailed expenditure data provided by the surveyed organizations, extensive wage, labor, tax, and commerce data were collected from local, state, and federal governments for use in the input-output model.

## **Why doesn't this study use a multiplier?**

When many people hear about an economic impact study, they expect the result to be quantified in what is often called a multiplier or an economic activity multiplier. The economic activity multiplier is an estimate of the number of times a dollar changes hands within the community (e.g., a theater pays its actor, the actor spends money at the grocery store, the grocery store pays the cashier, and so on). It is quantified as one number by which expenditures are multiplied. The convenience of the multiplier is that it is one simple number. Users rarely note, however, that the multiplier is developed by making gross estimates of the industries within the local economy and does not allow for differences in the characteristics of those industries. Using an economic activity multiplier usually results in an overestimation of the economic impact and therefore lacks reliability.

## **Why are the admissions expenses excluded from the analysis of audience spending?**

Researchers make the assumption that any admissions dollars paid by event attendees are typically collected as revenue for the organization that is presenting the event. The organization then spends those dollars. The admissions paid by audiences are excluded because those dollars are captured in the operating budgets of the participating nonprofit arts and culture organizations. This methodology avoids “double-counting” those dollars in the analysis.

## **How is the economic impact of arts and culture organizations different from other industries?**

Any time money changes hands there is a measurable economic impact. Social service organizations, libraries, and all entities that spend money have an economic impact. What makes the economic impact of arts and culture organizations unique is that, unlike most other industries, they induce large amounts of related spending by their audiences. For example, when patrons attend a performing arts event, they may purchase dinner at a restaurant, eat dessert after the show, and return home and pay the baby-sitter. All of these expenditures have a positive and measurable impact on the economy.

## **Will legislators and local funders believe these results?**

Yes, this study makes a strong argument to elected officials, but these facts need to be illustrated with examples in each community. The public must be educated about economic impact studies in general and the results of this study in particular. Strengths of the study include (1) the study methodology used; (2) that economists created an input-output model for each community and region in the study; and (3) the use of input-output analysis rather than a multiplier. The good news is that as the number of economic impact studies completed by arts organizations and other special interest areas increases, so does the sophistication of community leaders whose influence these studies are meant to affect. Today, most decision makers want to know what methodology is being used and how and where the data were gathered.

The input-output analysis used in this study by expert economists at the Georgia Institute of Technology is a highly regarded model in the field of economics (the basis of two Nobel Prizes in economics). However, as in any professional field, there are varying opinions among economists about procedures, jargon, and the best way to determine results. Ask 12 artists to define art and you may get 12 answers; expect the same of economists. Some economists believe that these studies should be done differently (for example, a cost-benefit analysis of the arts).

## **How can a community that did not conduct a local study apply these results?**

Because of the variety of communities studied and the rigor with which the *Arts & Economic Prosperity IV* study was conducted, nonprofit arts and culture organizations located in communities that were not part of the study can estimate their local economic impact. Estimates can be derived by using the *Arts & Economic Prosperity IV* Calculator (found at [www.AmericansForTheArts.org/EconomicImpact](http://www.AmericansForTheArts.org/EconomicImpact) along with tools and strategies for using this data).

This study examined ONLY nonprofit organizations and their audiences. The full creative industry includes for-profit enterprises and individual artists as well. This study demonstrates that the nonprofit sector contributes significantly to the overall creative vitality of communities.

# Acknowledgments

Americans for the Arts expresses its gratitude to the many people and organizations who made *Arts & Economic Prosperity IV: The Economic Impact of Nonprofit Arts and Culture Organizations and Their Audiences in the State of North Carolina* possible and assisted in its coordination and production. Generous grant funding for this project was provided by the North Carolina Arts Council, which also served as the project partner and as such was responsible for the statewide implementation and data collection requirements of the study.

Special thanks to the John D. and Catherine T. MacArthur Foundation and The Ruth Lilly Fund of Americans for the Arts for their financial support of the national implementation of *Arts & Economic Prosperity IV*.

Organization and audience surveys were collected in seventeen community study regions through the leadership of local study partners:

County	Local Study Partner
Buncombe	City of Asheville
Cumberland	Arts Council of Fayetteville/Cumberland County
Durham	Durham Arts Council
Forsyth	The Arts Council of Winston-Salem / Forsyth County
Guilford	United Arts Council of Greater Greensboro
Lenoir	Community Council for the Arts
Mecklenburg	Arts and Science Council
Moore	Arts Council of Moore County
New Hanover	Arts Council of Wilmington & New Hanover County
Orange	Orange County Arts Commission
Pitt	Pitt County Arts Council at Emerge
Rutherford	Rutherford County Recreational Heritage and Culture Committee
Transylvania	Transylvania Community Arts Council
Wake	United Arts Council of Raleigh and Wake County
Wake	Cary Parks, Recreation & Cultural Resources Department
Watauga	Watauga County Arts Council
Wayne	Arts Council of Wayne County

## The State of North Carolina’s Participating Nonprofit Arts and Culture Organizations

This study could not have been completed without the cooperation of the 957 nonprofit arts and culture organizations in the State of North Carolina, listed below\*, that provided detailed financial and event attendance information about their organization.

Arts for Life; Asheville Area Arts Council; Asheville Area Center for the Performing Arts; Asheville Art Museum Association, Inc.; Asheville Bravo Concerts; Asheville Civic Center; Asheville Community Theatre; Asheville Fringe Arts Festival; Asheville Lyric Opera; Asheville Symphony Society, Inc.; Asheville Wordfest; Bele Chere Festival; Black Mountain Center for the Arts; Black Mountain College Museum + Arts Center; Blue Ridge National Heritage Area; City of Asheville Cultural Arts Division; Colburn Earth Science Museum; Diana Wortham Theatre; Grove Arcade; HandMade in America; Keowee Chamber Music DBA Pan Harmonia; Lake Eden Arts Festival; North Carolina Stage Company; Open Hearts Art Center; Serpent Child Ensemble; Smith-McDowell House Museum; Southern Highland Craft Guild; Terpsicorps Theatre of Dance; The Montford Park Players; Thomas Wolfe Memorial; Weaverville Art Safari; Western North Carolina Jazz Society; YMI Cultural Center; Zebulon B. Vance Birthplace; ; Airborne & Special Operations Museum Foundation; Arts Council of Fayetteville/Cumberland County; Cape Fear Ballroom Dancers; Cape Fear Botanical Garden; Cape Fear Regional Theatre; Cape Fear Studios; Community Concerts of Fayetteville; Coventry Carolers; Crown Center; Cumberland County Chapter of the North Carolina Symphony; Cumberland County Public Library & Information Center; Cumberland Oratorio Singers; Fascinate-U Children’s Museum; Fayetteville Area Convention and Visitors Bureau; Fayetteville Dogwood Festival; Fayetteville Parks and Recreation Department; Fayetteville State University Fine Art Series; Fayetteville State University Planetarium; Fayetteville Symphony Orchestra; Friends of Music; Friends of the Cancer Center, Cape Fear Valley Medical Foundation, Inc.; Friends of the Cumberland County Public Library, Inc.; Gilbert Theater; Museum of the Cape Fear Historical Complex; ; African American Dance Ensemble; American Dance Festival; Association for the

Preservation of the Eno River Valley, Inc., dba Eno River Association; Bennett Place State Historic Site; Carolina Theatre of Durham; Carolina Wren Press; Center for Documentary Studies at Duke University; Choral Society of Durham, Inc.; City of Durham Parks and Recreation Dept.; Common Ground Theatre; Duke Homestead; Duke Performances / Duke University; Duke University Arts of the Moving Image; Duke University Music Department; Duke University String School; Duke University Theatre Department; Durham Art Guild; Durham Arts Council; Durham Central Park; Durham Children's Choir; Durham Community Concert Band; Durham Jazz Orchestra; Durham Library Foundation; Durham Public Schools; Durham Symphony, Inc.; Flamenco Vivo Carlota Santana/Spanish Dance Arts; Full Frame Documentary Film Festival, a Program of the Center for Documentary Studies; Girls Rock NC; Health Arts Network at Duke; Historic Stagville; KidZNotes; Liberty Arts; Little Green Pig Theatrical Concern; Mallarme Chamber Players; Manbites Dog Theater Company; Museum of Durham History; Nasher Museum of Art at Duke University; North Carolina Central University (Art Department); North Carolina Central University (Music Department); North Carolina Central University (Theatre Department); North Carolina Folklife Institute; North Carolina Folklore Society; North Carolina Museum of Life and Science; North Carolina Presenters Consortium; Preservation Durham; Southern Documentary Fund; St. Joseph's Historic Foundation; Storieswork; Student Action with Farmworkers; The Durham Savoyards, Ltd. of Durham, North Carolina; The Scrap Exchange; Triangle Gay Men's Chorus; University of North Carolina Center for Public TV; Walltown Children's Theatre; West Point on the Eno Park; Young People's Performing Company; Art for Arts Sake; Associated Artists of Winston-Salem; Authoring Action; BOOKMARKS; Carolina Chamber Symphony; Carolina Music Ways Music Heritage Resource Group; Center for Design Innovation; Children's Museum of Winston-Salem; Children's Theatre of Winston-Salem; Clemmons Community Theatre; Creative Corridors Coalition; Downtown Arts District Association; Downtown Winston-Salem Partnership; Festival Stage of Winston-Salem; Fiddle and Bow; Forsyth County Public Library; Hispanic Arts Initiative; Historic Bethabara Park; Kernersville Little Theatre; Korner's Folly; Little Symphony of Forsyth County; Mozart Club; Museum of Anthropology, Wake Forest University; National Black Theatre Festival & NC Black Repertory Company; North Carolina Theatre Conference; North Carolina Writers' Network; Old Salem, Inc.; Piedmont Chamber Singers; Piedmont Craftsmen, INC; Piedmont Opera; Piedmont Symphonic Wind Ensemble; Reynolda House Museum of American Art; Riverrun International Film Festival; Sawtooth School for Visual Art; SciWorks Science Center and Environmental Park; Secret Artist Series - Wake Forest University; Southeastern Center of Contemporary Art; The Arts Council of Winston-Salem / Forsyth County; The Enrichment Center; The Healing Force; The Moravian Music Foundation; Thomas S. Kenan Institute for the Arts; Triad Cultural Arts; Triad Harmony Express; Twin City Stage; UNC School of the Arts (cultural programs); Wake Forest University - Theatre; WFDD-FM 88 Radio; Winston-Salem Crafts Guild; Winston-Salem Delta Fine Arts, Inc.; Winston-Salem Festival Ballet; Winston-Salem State University - Diggs Gallery; Winston-Salem Symphony; Winston-Salem Theatre Alliance; Winston-Salem Youth Chorus; Action Greensboro; African American Atelier; Art Alliance of Greensboro; Bel Canto Company; Bennett College Art Gallery; Blandwood Mansion (Preservation Greensboro); Carolina Theatre of Greensboro; Center for Creative Aging North Carolina; Center for Visual Artists; Charlotte Hawkins Brown Memorial; City Arts; City Arts Caldwell Multicultural Center; Community Theatre of Greensboro; David Caldwell Historic Park; Eastern Music Festival; Elsewhere Artist Collaborative; Grassroots Productions Limited;

Green Hill Center for North Carolina Art; Greensboro Ballet; Greensboro Children's Museum; Greensboro Chinese Association; Greensboro Coliseum Complex; Greensboro Historical Museum; Greensboro Opera; Greensboro Public Library Foundation; Greensboro Symphony Orchestra; Greensboro Tarheel Chorus; Guilford College Art Gallery; Guilford College Music Department; Guilford Courthouse National Military Park; Guilford Native American Association; High Point Area Arts Council; High Point Museum; High Point Theatre; International Civil Rights Center and Museum; Music for a Great Space; Natural Science Center of Greensboro; NC Dance Project; North Carolina A&T State U. E. Gwynn Dancers; North Carolina A&T State U. Lyceum Committee; North Carolina Shakespeare Festival; Open Space Cafe Theatre; Piedmont Blues Preservation Society; Southeastern Theatre Conference; Spiritual Renaissance Singers of Greensboro; Sugarfoot Productions; Sweetgum Puppets; The Broach Theatre Company; The High Point Ballet; The Music Academy of North Carolina; Touring Theatre of North Carolina; Triad Pride Men's Chorus; Triad Stage; UNC Greensboro Theatre Program; UNC-Greensboro Market Street Brass; UNC-Greensboro Opera Theatre; United Arts Council of Greater Greensboro; United Tribes of North Carolina; Weatherspoon Art Museum at UNC-Greensboro; ; Chapel of Rest Preservation Society; Community Council for the Arts; CSS Neuse; Preservation of the Grainger-Hill Performing Arts Center; ; 100 Black Men of Greater Charlotte, Inc.; Actor's Theatre of Charlotte; Andreas H. Bechtler Arts Foundation (dba Bechtler Museum of Modern Art); Arts & Science Council; Asociacion De Mujeres Latino; Best of Friends Puppets; Big Door LLC; Carolina Actors Studio Theatre; Carolina Pro Musica; Carolina Raptor Center; Carolina Voices; Carolinas Asian-American Chamber of Commerce; Carolinas Concert Association, dba Charlotte Concerts; Charlotte Artery, Co.; Charlotte Artsfest Inc; Charlotte Chamber Music; Charlotte Children's Choir; Charlotte Civic Orchestra; Charlotte Contemporary Ensemble; Charlotte Film Society; Charlotte Folk Society; Charlotte Jazz Society, Inc.; Charlotte Jewish Film Festival; Charlotte Museum of History; Charlotte Symphony Orchestra Society Inc.; Charlotte Viewpoint; Charlotte Youth Ballet; Charlotte's Off-Broadway; Children's Theatre of Charlotte, Inc.; Circle De Luz Inc; Clayworks; Coalicion Latinoamericanos; Collaborative Arts Theatre; Community School of the Arts; Cornelius Youth Orchestras; Davidson College Friends of the Arts; Davidson Community Players; Discovery Place; Festival in the Park (Charlotte); Filipino American Community of the Carolinas; Gay Men's Chorus of Charlotte; Gil Project; Harvey B. Gantt Center for African-American Arts + Culture; India Association of Charlotte; Inspire the Fire; James K. Polk Memorial; Japanese Association in Charlotte; Latta Plantation; Levine Museum of the New South; Machine Theatre Inc.; Martha Connerton/Kinetic Works; Matthews Parks, Rec. and Cultural Resource Dept.; McColl Center for Visual Art; Mint Hill Arts; Mint Hill Historical Society; Mint Museum of Art; North Carolina Blumenthal Performing Arts Foundation of Charlotte; North Carolina Dance Theatre; Opera Carolina; Ovens Auditorium/Charlotte Regional Visitors Authority; Polk Memorial Support Group; Project Art Aid; Sandra and Leon Levine Jewish Community Center; Silent Images; The Civic and Cultural Arts Center of Pineville; The Community Arts Project; The Echo Foundation; The Light Factory Contemporary Museum of Photography & Film; Theatre Charlotte; Vietnamese Association of Charlotte; WDAV Classical Public Radio; Wing Haven Garden and Bird Sanctuary; WTVI TV; ; Artists League of the Sandhills; Arts Council of Moore County; Autumnfest; Carolina Performing Arts Center; Carolina Philharmonic; Carthage Buggy Festival; English Speaking Union/Sandhills Chapter; Friends of Weymouth, Inc.; Holly Arts & Crafts Festival; Jugtown Museum; Moore County Choral Society; Moore County Concert Band; Moore County Historical Association; Moore Philharmonic Orchestra; New

Horizon Band in the Pines; North Carolina Symphony; North Moore High School; Palustris Festival; Pinecrest Choral Department; Pinecrest High School Auditorium; Pinecrest Orchestra; Pinecrest Players; Ruth Pauley Lecture Series; Sandbox Players; Sandhills Community College; Sandhills Community College Choir; Sandhills Harmony Chorus; Sandhills Quilters Guild; Springfest; The Classical Design Foundation; The Sunrise Preservation Group, Inc.; Union Pines Choral Department; Union Pines High School Band; Union Pines Theatre Arts/Extra-Curricular Musical Production; Village of Pinehurst Parks & Recreation; Westmoore Pottery; ; Ackland Art Museum; American Indian Center at UNC Chapel Hill; American School of Asian Culture; Archipelago Theatre; Ayr Mount - Poet's Walk - Historic Occoneechee; C.W. Stanford Middle School PTA; Cane Creek Cloggers; Carrboro Film Festival; Carrboro Music Festival; Cedar Ridge High School Band Boosters; Center for the Study of the American South; Chamber Orchestra of the Triangle; Chapel Hill Community Chorus; Chapel Hill Downtown Partnership; Chapel Hill High Band Boosters Club; Chapel Hill High School Philharmonic Foundation; Chapel Hill Museum; Chapel Hill Preservation Society; Chapel Hill Public & Cultural Arts Office; Chapel Hill Public Library; Chapel Hill Public Library Foundation; Chapel Hill/Orange County Visitors Bureau; Chapel Hill-Carrboro Public School Foundation; Chinese School at Chapel Hill; Clef Hangers; Corda Foundation; Daily Tar Heel Publishing; Deep Dish Theater Company; Efland-Cheeks Elementary School PTA; El Centro Latino; Eno Publishers; Ephesus Road Elementary School PTA; Estes Hills Elementary School PTA; Footnotes Tap Ensemble; FRANK Gallery; Frank Porter Graham Elementary School PTA; Friends of the Carrboro Branch Library; Friends of the Chapel Hill Public Library; Friends of the Orange County Public Library; Grady A. Brown Elementary School PTA; Hanes Art Center at the University of North Carolina; Hidden Voices; Hillsborough Arts Council; Historians of Islamic Art Association; Historical Foundation of Hillsborough and Orange County; Kidzu Children's Museum; Long Leaf Opera; McDougle Elementary School PTA; Mi Escuelita; Morehead Planetarium and Science Center; Morris Grove Elementary School PTA; Music Maker Relief Foundation; North Carolina Arts in Action; North Carolina Youth Tap Ensemble; North Caroliniana Society; Occaneechee Band of the Saponi Nation; Orange Charter School PTA; Orange County Artists Guild; Orange County Arts Commission; Orange County Literacy Council; Orange County Schools; Paul Green Foundation; PlayMakers Repertory Company; Robert and Pearl Seymour Center; Shared Visions Foundation (Murphey School); Sonya Haynes Stone Black Cultural Center; Southeastern College Art Conference; The ArtsCenter; The Carolina Quarterly; The John Brown Quintet; The Peoples Channel; The Sun Publishing Company; The Women's Center; Transactors Improv Company; Triangle Country Dancers (Country Dance and Song Society); Triangle Weavers, Inc.; Triangle Youth Ballet; Tyche Foundation; UNC Arts and Sciences Foundation; UNC Chapel Hill Global Relations; UNC CHAT Festival; UNC Dance Marathon; UNC Health Care Door to Door Program; UNC School of Journalism and Mass Communication Foundation; UNC Student Television; UNC-Carolina Performing Arts; UNC-Chapel Hill Carolina Union; UNC-Chapel Hill Southern Folklife Collection; University of North Carolina Press; Voices Together; WCOM Community Radio; West End Poetry Festival; William R. Kenan Jr. Fund for Arts; Women's Voices Chorus; WUNC Radio; Yackety Yak Publishing; ; Ayden Community Theatre, 4354 Lee St.; East Carolina University New Music @ ECU Festival; East Carolina University School of Music; East Carolina University School of Theatre & Dance; East Carolina University Youth Arts Festival; East Carolina Village of Yesteryear; Eastern NC Dance Foundation; Eastern North Carolina Literary Homecoming; Emerge Gallery Art Center (DBA: Pitt County Arts Council at Emerge); Farmville

Community Arts Council; Folk Arts Society of Greenville; Freeboot Friday Concert Series; Greenville Choral Society; Greenville Museum of Art; Grifton Shad Festival; Institute of Outdoor Drama; International Festival - PirateFest; Music Academy of Eastern North Carolina; PirateFest; S. Rudolph Alexander Performing Arts Series; Tar River Community Band; Unnatural Resources Institute; ; Rutherford Community Theatre; Rutherford County Visual Artists Guild; Rutherford Cty Heritage and Cultural Committee; The Foundation Performing Arts and Conference Ctr.; ; American Turkish Association; Asociación de Puertorriqueños Unidos de Carolina del Norte; Cary Art Loop; Cary Ballet Company; Cary Clay Cooperative; Cary Gallery of Artists; Cary Photographic Artists; Cary Players; Cary Town Band; Cary Visual Art; Cary/Apex Piano Teachers Association; Concert Singers of Cary, Inc.; Diamante Inc.; FATE (Free Association Theatre Ensemble); Filipino-American Performing Artists; Friends of the Page-Walker Hotel; Heart of Cary Association Inc.; Hum Sub; Jordan Hall Arts Center; Koka Booth Amphitheatre at Regency Park; Martin Luther King, Jr. Task Force of Cary; NC Eid Festival; Nepal Center of NC; Page-Walker Arts and History Center; Punjabi Unlimited; Really Terrible Orchestra of the Triangle; Scottish Cultural Organization of the Triangle; Sister Cities Association of Cary; Tamil Language Group; The Fine Arts League of Cary; The Ujima Group; Town of Cary Cultural Arts Division; Town of Cary Recreation Division/Cary Senior Center; Triangle Calligraphy Group; Triangle Jazz Society; Triangle Wind Ensemble; Western Wake Artists' Studio Tour; ; Brevard Academy Jazz Band; Brevard Little Theatre; Brevard Music Center Inc; Brevard Philharmonic; Cradle of Forestry in America; Heart of Brevard; Musicke Antiqua; Number 7 Fine Arts & Crafts Cooperative; Silvermont; TAP-Transylvania Arts Promotion; Transylvania Community Arts Council & Gallery; Transylvania Heritage Museum; Transylvania Youth Strings Ensemble; Western NC Longarm Quilters Group; ; AIA (North Carolina); Arts Access; ARTS North Carolina; Arts Together, Inc.; Artspace; Artspllosure; Boylan Heights Association; Burning Coal Theatre Company; Capital Area Beading Organization; Carolina Ballet; Charles R. Bugg Elementary School; Cinema, Inc; City of Raleigh Arts Commission; City of Raleigh Progress Energy Center for the Performing Arts; Classical Voice of North Carolina; Colored Pencil Society of America, Raleigh-Durham District Chapter; Community Music School; Concert Dancers of Raleigh; Echo Theatre; Even Exchange Dance Theater; Fellowship Health Resources; Friends of the Brussels Chamber Orchestra; Gregg Museum of Art and Design at NCSU; Historic Preservation Foundation of N.C., Inc; Hope Elementary Charter Scholl; Indian Classical Music and Dance Society; International Focus, Inc.; Marbles Kid's Museum; NCSU Center Stage; North Carolina Arts Council; North Carolina Dance Alliance; North Carolina Gourd Society; North Carolina Master Chorale; North Carolina Museum of Art; North Carolina Museum of Art Volunteers; North Carolina Museum of History Foundation; North Carolina Museums Council; North Carolina Opera; North Carolina State University Marching Band; North Carolina Symphony Society, Inc.; North Carolina Theatre; North Carolina Theatre Arts Educators; Philharmonic Association; PineCone, the Piedmont Council of Traditional Music, Inc.; Pullen Park Arts Center; Pullen Park Arts Center Gallery; Raleigh Boychoir; Raleigh Chamber Music Guild; Raleigh Civic Symphony Association; Raleigh Concert Band; Raleigh Ensemble Players; Raleigh Institute of Contemporary Art; Raleigh Little Theatre; Raleigh Piano Teachers Association; Raleigh Review; Raleigh Symphony Orchestra; Sertoma Arts Center; Society of North Carolina Archivists; The Justice Theater Project; The Triangle Korean School; Towne Players of Garner; Triangle Brass Band; Triangle Calligraphers' Guild, Inc.; United Arts Council of Raleigh and Wake County; Visual Art Exchange; Wake County Library System; Wake Forest ARTS; An Appalachian Summer

Festival; Appalachian State University Office of Student Programs; ASU Theater and Dance Department; Blowing Rock Art and History Museum; High Country Writers; Horn in the West; Southern Appalachian Historical Association; Steely Pan Steel Band; Turchin Center for the Visual Arts; Watauga County Arts Council; ; Artistic Productions (Dance for Christ); Arts Council of Wayne County; Center Stage Theatre; Charles B. Aycock Birthplace; Goldsboro Civic Ballet Inc.; Goldsboro Writers' Group; Grandpa's Children; III Century Singers; Paramount Theatre; Rosewood Elementary School; StageStruck; Starlight Dance Band; Wayne Community Concert Association; Wayne County Museum; ; Alban Elved Dance Company; Big Dawg Productions; Black Arts Alliance; Caffe Phoenix Gallery; Cameron Art Museum; Cape Fear Blues Festival; Cape Fear Contra Dancers; Cape Fear Future Foundation; Cape Fear Jazz Society; Carolina Vocal Arts Ensemble; Chamber Music Wilmington; Cucalorus Film Festival; DREAMS of Wilmington; Fort Fisher; Forward Motion Dance Company; Friends of Public Radio; Lookout Books; Stageworks Youth Theatre Company; The Bellamy Mansion Museum of Hist. & Design Arts; The Dance Cooperative; The Wilmington Ballet Company; UNCW Office of Cultural Arts; UNC-Wilmington UNCW Presents; Wilmington Regional Film Commission, Inc.; Wilmington Symphony Orchestra; Ahoskie Elementary School; Alamance Battleground; Alamance Chorale; Alamance County Arts Council; Alamance County Historical Museum Inc; Alleghany Arts Council; Alleghany County Schools; American Furniture Hall of Fame; American Music Festival; Anson County Arts Council; Anson County Writers' Club; Art in The Public Interest; Artist Guild of Statesville; Arts Council of Bladen County; Arts Council of Carteret County; Arts Council of Henderson County; Arts Council of Lincoln County; Arts Council of Macon County; Arts Council of Wilson; Arts Richmond -- Richmond County Arts Council; Arts United for Davidson County; Ashe County Arts Council; Aurora Fossil Museum Foundation, Inc.; Ava Gardner Museum; Averagesboro Battlefield Commission & Museum; Avery County Arts Council; Bakersville Creek Walk Arts Festival; Beaufort County Arts Council; Beaufort County Choral Society; Beaufort County Concert Association; Beaufort County Education Tech Center; Beaufort County Schools Band Program; Beaufort County Traditional Music Association; Beaufort Historical Assn Inc; Bentonville Battleground; Bertie County Arts Council; Bladen County 4-H Summer Academy; Bladen County Public Library; Brunswick County Academy; Brunswick County Arts Council; Brunswick County Schools Fine Arts Department; Brunswick Town; Burke Arts Council; Burlington Boys Choir Inc; Cabarrus Arts Council; Cabarrus County Public Library; Caldwell Arts Council; Camden County Schools; Campbell University Community Concert Series; Carolina Artists; Carolina Civic Center Foundation; Carolina Mountains Literary Festival; Carolina Theatre Preservation Association Inc; Carteret County Historical Society Inc; Cashiers Historical Society Inc; Cashiers Preservation Foundation Inc; Caswell Council for the Arts; Catawba County Historical Association; Catawba Science Center Inc; Center for Faith & the Arts; Chatham County Arts Council; Cherokee Central Schools; Cherokee County Arts Council; Cherokee Historical Association; Cherokee Preservation Foundation Inc; Cherryville Historical Society; Children's Museum Of Alamance County Inc; Children's Theater Festival, Inc.; Chowan Arts Council; Clay County Historical and Arts Council; Clayton Visual Arts, Inc.; Cleveland County Arts Council; Coastal Carolina Chamber Music Festival; Coastal Carolina Community College Theatre; Columbus Area Schools; Columbus County Arts Council; Columbus County Schools; Core Sound Decoy Carvers Guild; Core Sound Waterfowl Museum; Council for the Arts; Council for the Arts Gallery; Craft Revival; Craven Arts Council and Gallery; Craven Community Chorus; Crystal Coast Choral Society, Inc.; Currituck County

Schools; Dare County Arts Council; Davidson County Writer's Guild; Davie County Arts Council; Do Tell Storyfest; Downtown Waynesville Association; Duplin County Events Center; Eastern Cabarrus Historical Society Inc; Eastern Carolina Concert Society; Ebbs Chapel School Foundation; Edenton Historical Commission; Edgecombe County Community Chorus; Edgecombe County Cultural Arts Council; Elkland School Art Center; Fine Arts Festival Association of Rockingham Cty.; First Stage Youth Theatre; Fletcher Community Chorus; Folk Heritage Association of Macon County; Folkmoot USA; Foothills Arts Council; Fort Dobbs; Franklin County Arts Council; Freeman Round House Museum; Friends of New Bern Firemen's Museum Inc; Friends Of The Museum North Carolina Maritime Museum Inc; Gaston Arts Council; Gaston College; Gaston County Art Guild; Gaston School of The Arts Inc; Gates County ARTSwork; Gates County Schools; Gouge Elementary School; Grandfather Mountain Highland Games Inc; Granville Arts Council; Granville County Historical Society Incorporated; Graveyard of the Atlantic Museum; Greater Banner Elk Heritage Foundation; Greene County Arts and Historical Society; Halifax County Arts Council; Harnett County Arts Council; Harnett Regional Theatre; Hawkeye Indian Cultural Center; Haywood Arts Repertory Theater; Haywood County Arts Council; Heart of Carolina Jazz Society and Orchestra; Hendersonville Friends of Chamber Music; Hendersonville Symphony Orchestra Inc; Hickory Choral Society Inc; Hickory Community Theatre; Hickory Landmarks Society Inc; Hickory Museum of Art, Inc.; Hiddenite Center; High Hopes Chorus; Highland Community Players Inc; Highlands Chamber Music Festival Inc; Highlands Community Theatre Inc; Historic Albemarle Tour; Historic Bath State Historic Site; Historic Halifax; Historic Hope Foundation Inc; Historic Salisbury Foundation Inc; Historical Preservation Fund of Wilson County Inc; History Museum of Burke County Inc; Hmong Southeast Puav Pheej Inc; Hoke County Schools; Horne Creek Living Historical Farm; Hyde County Schools; Iredell Arts Council; Iredell Museums; Jackson County Arts Council; JAM (Alleghany County Schools); James C. Harper School of Performing Arts; John C. Campbell Folk School; John C. Campbell Folk School Cloggers; Johnston County Arts Council, Inc.; Johnston County Heritage Center; Jones County Arts Council; Kings Mountain Historical Museum Foundation; Kings Mountain Little Theatre; Lakeland Cultural Arts Center Inc; Leaksville Spray Elementary School; Lee County Community Orchestra Association, Inc.; Lenoir-Rhyne University Visiting Writers Series; Licklog Players Inc; Lincoln County Historical Association Inc; Little Mountain Pottery; Madison County Arts Council; Maguire Theater; Martin County Arts Council; Maysville Elementary School; McDowell Arts Council; Mitchell County Historical Society; Montgomery County; Montgomery County Schools; Mooresville Artist Guild; Mount Airy Museum of Regional History Inc; Mountain Area Performing Arts Association; Murfreesboro Historical Assn Inc; Museum Of American Cut and Engraved Glass Inc; Museum Of Ashe County History Inc; Museum of the Alphabet; Museum of the Cherokee Indian; Museum of the Marine; Museum of the Native American Resource Center; Nash County Arts Council; Nash County Historical Association; National Basketry Organization; Natural Fibers Group; New Bern Civic Theatre; New Millennium Theatre Works; Newton-Conover Auditorium Authority; North Carolina Basketmakers Association Inc; North Carolina Pottery Center (North Carolina Pottery Museum, Inc.; North Carolina Society of Historians, Inc.; North Carolina Transportation Museum Foundation; Northampton County Cultural Arts Committee; Oak Hill Elementary School; Oak Hill Heritage House Museum & Research Library; Occaneechi Band Of The Saponi Nation; Ocean Isle Museum Foundation Inc; Old Baldy Foundation Inc; Old Courthouse Theatre; Old Theater Corporation; Old Time Square Dance; One Dozen Who Care; Onslow Art Society; Pamlico County



Arts Council; Pamlico Musical Society; Parkway Playhouse; Pembroke Magazine; Pender Arts Council; Penland School of Crafts; Performing Arts Center Inc; Perquimans Arts League; Perquimans County Restoration Association; Person County Arts Council; Piedmont Folk Legacies Inc; Piedmont Players Theatre; Pocosin Arts; Polk County Schools; Public Radio East Foundation; Rail Walk Studios & Gallery; Railroad House Historical Association; Randolph Arts Guild; Reed Gold Mine; Roanoke Island Festival Park; Roanoke Island Historical Association; Robeson County History Museum; Rockingham County Arts Council; Rocky Mount Children’s Museum Inc; Rowan Arts Council; Rowan Museum Incorporated; Rowan-Salisbury African American Heritage Trail; Rowland Festival Committee; RSVP Community Theatre; Salisbury Historic Preservation Commission; Salisbury-Rowan Symphony Society; SALT Block Foundation Inc.; Sampson Arts Council; Sampson County History Museum; Sampson County Schools Arts Camp; Science Museums Of Wilson Inc; Scotland County Historic Properties Commission; Seniors on Stage; Smoky Mountain Folk Festival; Smoky Mountain Music Association; Snow Camp Historical Drama Society; Somerset Place; South Edgecombe Middle School; Southern Appalachian Repertory Theatre; Southern Appalachian Repertory Theatre; Southern Piedmont Woodturners Inc.; Stanly Arts Guild; Stanly County Arts Council; State Railroad Museum Inc; Stecoah Valley Cultural Arts Center; Stokes County Arts Council; Stokes Stomp; Stony Creek/Haliwa-Saponi Indian Tribe; Storytelling Arts Center of the Southeast; Surry Arts Council; Suzuki School of the Arts; Swain County Center for the Arts; Tar River Choral and Orchestral Society Inc; Temple Theatre Company; The Andrew Jackson Historical Foundation Inc; The Bascom Corporation; The Center; The Center for Craft, Creativity & Design; The Choral Academy; The Cultural Arts Council of Wilkes; The Friends of The North Carolina Maritime Museum at Southport; The Gallery Theatre; The Green Room Community Theatre Inc; The Highlands Historical Preservation Society Inc; The Historical Society of Topsail Island North Carolina; The Jacquard Center; The John Chavis Historical Society; The New Bern Historical Society Foundation Inc; The Oriole Mill; The Theatre at the Imperial Centre; The Union Chorale; The Vagabond School of the Drama; Tobacco Farm Life Museum Inc; Toe River Arts Council; Town Creek Indian Mound; Tri-County Community College Auditorium; Tri-County Community College Foundation; Trustees of The Schiele Museum Inc; Tryon Fine Arts Center; Tryon Little Theatre Inc; Tryon Palace Historic Sites & Gardens; Turnage Theaters Foundation; Tyrrell County Schools; Unifour Jazz Society; Union County Community Arts Council; Union County Youth Ballet; Union Symphony Society; United Arts Council of Catawba County; Upstairs Artspace; Valleytown Cultural Arts And Historical Society Inc; Vance County Arts Council; Warren County Arts Council; Washington County Schools; Washington-Beaufort County Chamber of Commerce; Waterworks Visual Arts Center; Waxhaw Arts Council; West Johnston High School Band Parents Association; Western Carolina University Literary Festival; Western Carolina University; Western Carolina University Fine Art Museum; Western North Carolina Dulcimer Collective; Western Piedmont Symphony, The Unifour Orchestra Inc; Whalehead Preservation Trust and The Currituck Wildlife Museum; WHS Playmakers; Wilkes Art Gallery Inc; Wilkes Heritage Museum Incorporated; Wilkes Playmakers Inc; Willing Hands; Wilson Development Corporation; Wittenburg Elementary School; and Yadkin Arts Council.

\*The 957 nonprofit organizations are listed alphabetically within each local study community, then alphabetically for the rest of the state.

## The State of North Carolina’s Participating Nonprofit Arts and Culture Patrons

Additionally, this study could not have been completed without the cooperation of the 19,196 arts and culture audience members who generously took the time to complete the audience-intercept survey while attending a performance, event, or exhibition within the State of North Carolina.

## North Carolina's Participation in *Arts and Economic Prosperity IV*

### Who was included in the study?

North Carolina was one of 10 states participating in the national study. Local studies were conducted in 17 North Carolina communities. Data was compiled for the seven N.C. economic development regions: Advantage West, Charlotte Regional Partnership, North Carolina's Eastern Region, Northeast Commission, Piedmont Triad, Research Triangle, North Carolina's Southeast

### How is this study different than the 2009 Creative Industry in North Carolina study?

This study included only the *nonprofit* organizations and audiences in the creative industry.

### What is the creative industry?

The creative industry includes:

- nonprofit arts, humanities and cultural organizations
- audiences
- for-profit enterprises that exist to produce original creative products
- individual artists and creative workers

### North Carolina Creative Industry 2009 N.C. Department of Commerce Study

- More than 47,500 creative for-profit and nonprofit establishments contributed \$41.4 billion worth of products and services, accounting for nearly 300,000 jobs.
- More than \$11 billion was spent by creative industries identified in more than 100 sectors.
- Nonprofit organizations representing 2% of the total creative industry contribute 11% of the direct gross domestic product of the overall industry spending.

#### Sources:

*Economic Contribution of the Creative Industry in North Carolina*, N.C. Department of Commerce, 2009.

*Arts and Economic Prosperity IV*, Americans for the Arts, 2012

[More than \$1.2 billion was spent in 2010 in the direct economic activity of 957 nonprofit organizations and their audiences, compared to more than \$11 billion in value added spending by 47,500 establishments identified in the 2009 study.]

### Why study nonprofits instead of updating the 2009 Creative Industry Study?

The opportunity to participate in this *national* study of the nonprofit part of the creative industry was important for benchmarking North Carolina's contributions to economic prosperity in America. The jobs created by for-profit industries are now able to be captured through Creative Vitality Index data. Additional datasets that provide annual measures of the creative economy without the expense of a customized analysis are being developed.

### For more information about the Creative Industry in North Carolina:

<http://www.ncarts.org/AFTA>

[http://www.ncarts.org/creative\\_economy](http://www.ncarts.org/creative_economy)

"One of the keys to building and sustaining communities and promoting high quality economic development is support and funding of the arts. We have witnessed, in some states, decreased support of the arts which is counterproductive and a major step backward. We need to emphasize that potential employers look at enrichment of lives as well as schools, hospitals, libraries, and other essential services for the communities in which they want to locate. We need to continue—and increase—our support for the arts. In today's competitive marketplace, it has never been truer that supporting the arts means business."

— Senator Steve Morris  
President, National Conference of State Legislatures

"The Committee Encouraging Corporate Philanthropy (CECP), which is active in measuring trends and best practices in corporate giving to the arts, values the far-reaching research and leadership of Americans for the Arts, demonstrated in the Arts & Economic Prosperity™ series."

— Charles H. Moore  
Executive Director, Committee Encouraging Corporate Philanthropy

The following national organizations partner with Americans for the Arts to help public and private sector leaders understand the economic and social benefits that the arts bring to their communities, states, and the nation.



**BCLC** Business Civic Leadership Center  
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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.

