



# ARTS & CULTURE

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## CHAPTER 5

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### **The arts and culture scene in Philadelphia is so vast that it is tempting to imagine it as a major corporation.**

Taken together, the more than 200 arts and cultural institutions within the city limits have revenue approaching \$1 billion a year and employ nearly 10,000 people, with an additional 14,000 working as volunteers.

In any given year, these organizations outdraw the city's four major sports teams. In 2007, for instance, the Eagles, Flyers, Phillies and 76ers drew about 5 million paying customers while Philadelphia's arts and cultural events had 6.3 million. And that number does not include 5.1 million people who attended events for free and another 1.6 million children who came on class trips.

Of course, arts and culture is not a big business, not in the usual sense. Rather, it is a highly diverse collection of non-profit groups and institutions. A few of them are large, like the Philadelphia Orchestra, the Philadelphia Museum of Art, and the Philadelphia Zoo. Most of them, though, are quite small.

Nearly 6 out of 10 have annual budgets under \$500,000; this is typical of the city's non-profit sector. For them, raising money is a struggle, and their expenses often exceed their income. In the period examined for this study, about 40 percent of the groups ended their fiscal years with deficits or only small cash balances.

These groups aren't able to pay for all of their expenses through ticket sales, membership fees and income from gift shops. So help must come from elsewhere. Half of the money comes from individual and corporate donors, charitable foundations, and the city, state and federal governments. The search for outside dollars is never-ending, and the current recession makes it as hard as it has ever been.

Despite these financial challenges, many groups enjoy long and fruitful lives. Of all the city's cultural organizations, nearly one out of four has been operating for 45 years or more. For instance, the Library Company of Philadelphia, the oldest cultural institution in America, goes back to 1731, 45 years before the Declaration of Independence. It was founded by Benjamin Franklin, of course.

Franklin was a master practitioner of what is today called community action—a collection of citizens banding together to advance a worthy cause. It was how he founded the Library Company, the city's first fire company, the American Philosophical Society, and the nation's first hospital and insurance company, to name a few of the institutions he helped bring into existence.

The same kind of communal spirit continues today, with thousands working to sustain Philadelphia's arts and cultural assets through their volunteer efforts, their donations and their patronage. All of this makes the city a richer place in ways that cannot be measured in dollars and cents—and in ways that few other cities can match.

It is hard to know how the condition of Philadelphia's cultural institutions, taken as a whole, compares to years past. Until recently, there was no way to obtain uniform information about these groups. That changed with the creation of the Pennsylvania Cultural Data Project, a collaborative effort of The Pew Charitable Trusts, The Heinz Endowments, The Pittsburgh Foundation, the William Penn Foundation, the Greater Philadelphia Cultural Alliance, the Greater Pittsburgh Arts Council and the Pennsylvania Council on the Arts.

The information in this chapter is taken from data supplied by the Cultural Data Project, but the analysis is the work of the Philadelphia Research Initiative. The analysis covers 224 non-profit groups located in the city proper. In each case, the most recent data available was used, from 2006 for 75 groups and 2007 for 149 others.

Some of these groups may fall victim to economic hard times. But Philadelphia's rich cultural mix does not appear to be in jeopardy.



# THE CULTURAL RICHNESS OF PHILADELPHIA

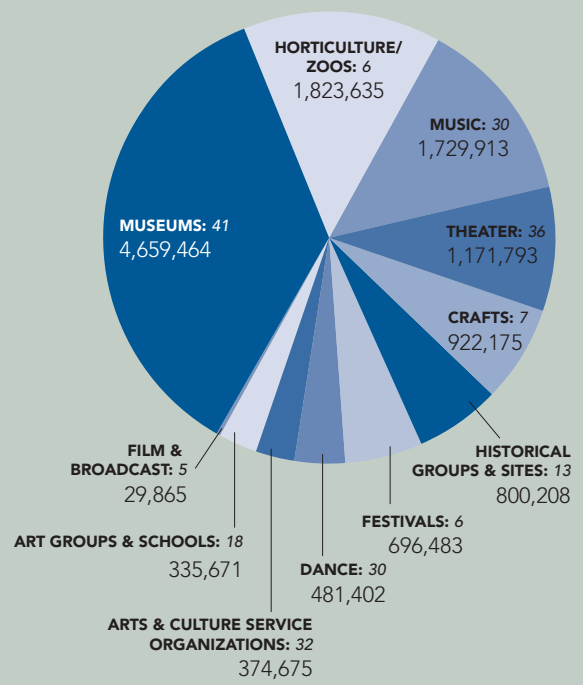
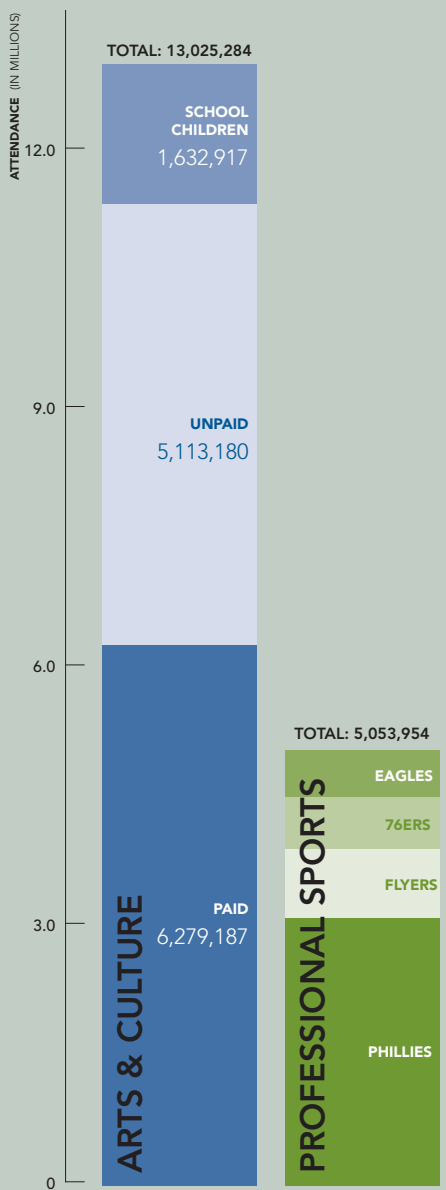


## 5.1 2007: TOTAL ATTENDANCE AT ARTS AND CULTURAL EVENTS

COMPARED TO SPORTS ATTENDANCE

ATTENDANCE BY CATEGORY AND NUMBER OF ORGANIZATIONS

PHILADELPHIA RESEARCH INITIATIVE



## 5.2 POLL RESULTS

### Rating of Philadelphia as a place to experience

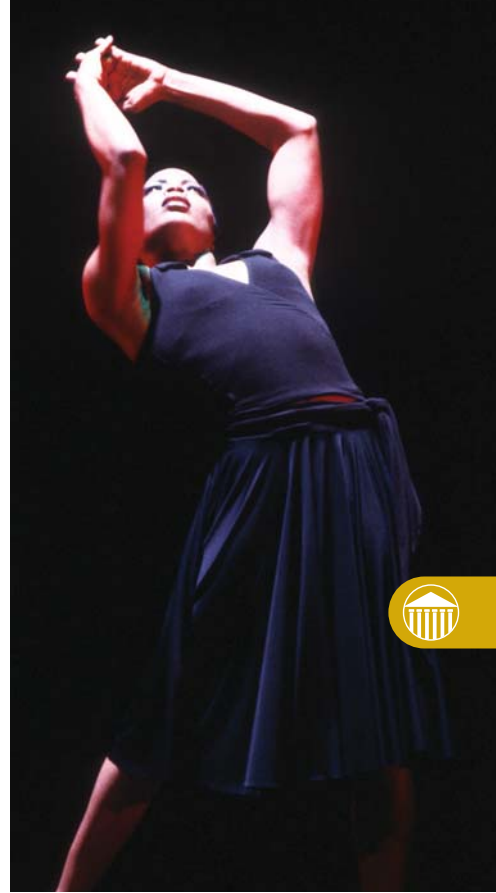
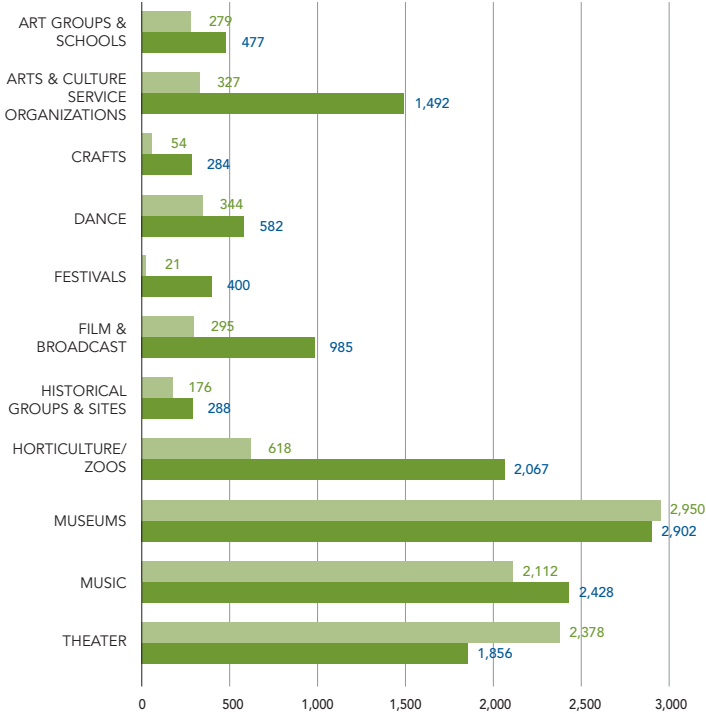
	EXCELLENT	GOOD	ONLY FAIR	POOR	DON'T KNOW/REFUSED
<b>CULTURE</b> SUCH AS MUSEUMS AND THE ARTS	50%	36%	8%	2%	4%
<b>ENTERTAINMENT</b> SUCH AS LIVE MUSIC, THEATER AND MOVIES	38%	40%	14%	4%	5%
<b>PROFESSIONAL SPORTS</b>	44%	37%	11%	2%	6%

5.3

EMPLOYEES AND VOLUNTEERS

FULL- AND PART-TIME BY CATEGORY

STAFF  
VOLUNTEERS



5.4

PHILADELPHIA'S CULTURAL HERITAGE ...



1731  
The Library Company of Philadelphia

1764  
The German Society of Pennsylvania

1743  
American Philosophical Society



5.1 The number of people attending arts and cultural events was more than double the number who attended games held by the city's four major professional sports teams. The film and broadcast attendance count is limited to live events held at radio and television stations. Many organizations do not charge admission.

5.2 Philadelphians give very high grades to the city's arts and culture scene, with 86 percent saying it is "good" or "excellent." This is higher than the 81 percent who give similar marks to the pro sports teams.

5.3 Museums are the largest employer group, with 2,950 full- and part-time employees, followed by theaters with close to 2,400 employees. A list of all groups by category is included in the notes at the end of this report.

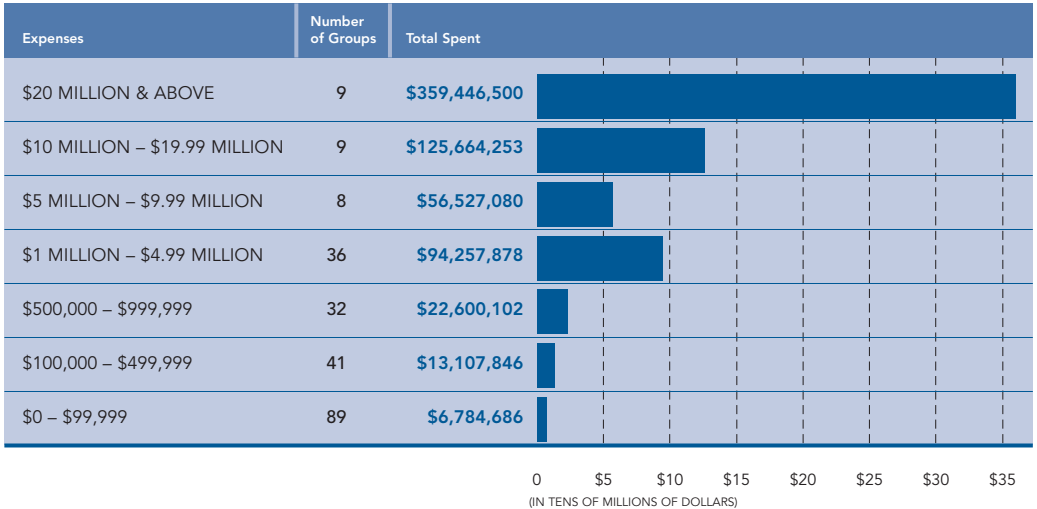
5.4 There are 26 existing cultural institutions that date back more than 100 years, a remarkably rich legacy from previous generations.

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5.5

EXPENSES

BY SIZE OF ANNUAL BUDGET



... INCLUDES MANY INSTITUTIONS FOUNDED OVER 100 YEARS AGO

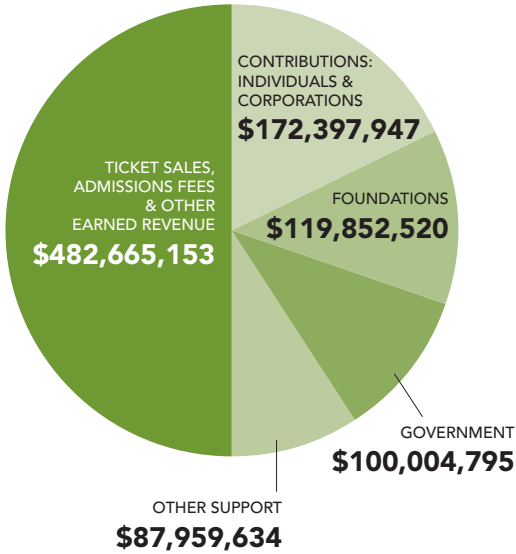


5.6

REVENUE

BY CATEGORY

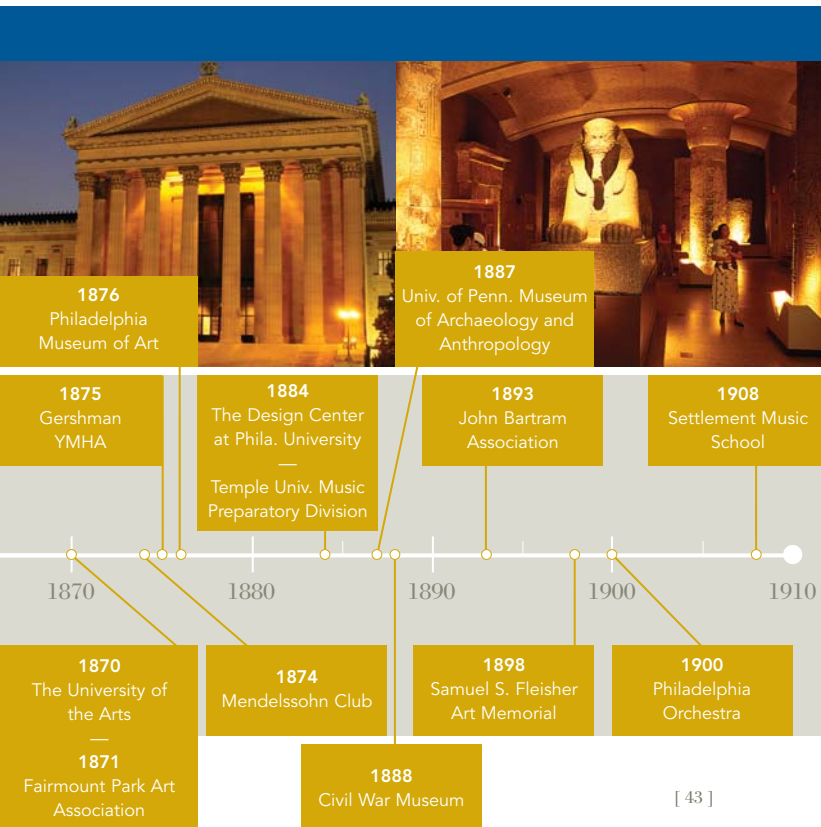
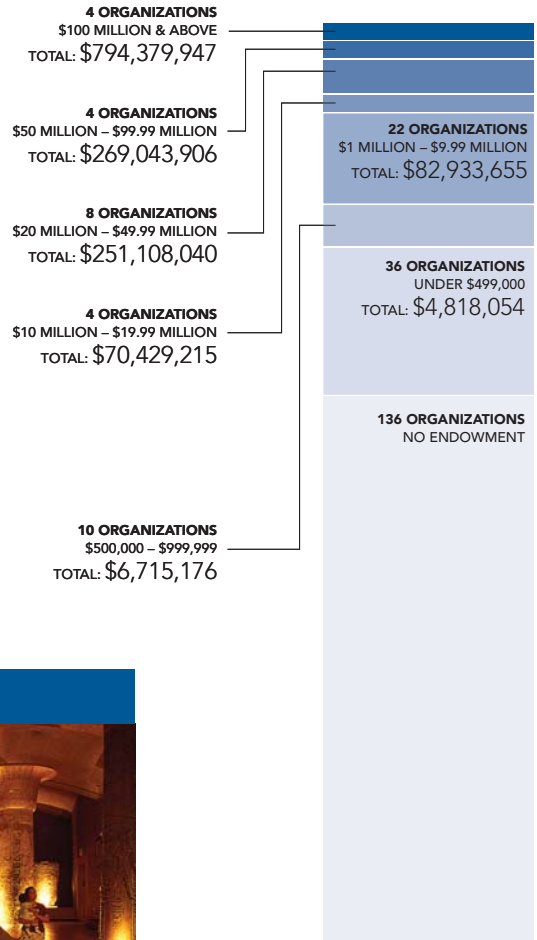
TOTAL: \$962,880,049



5.7

ENDOWMENTS

BY SIZE



5.5 There are large groups and institutions that spend millions each year, but most arts and culture organizations are small: 58 percent spend less than \$500,000 a year.

5.6 Ticket sales, admission fees and other revenue-producing efforts provide 50 percent of the revenue of these organizations. The rest comes from government and other sources, which include special events, contributions from parent organizations and other public contributions.

5.7 Endowments and investments total nearly \$1.5 billion; the four institutions with the largest endowments account for 54 percent of that total. Sixty percent of the organizations have no endowments. Every \$1 million in endowment can provide \$50,000 or more a year to help pay for operating costs.