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Iron County's Nonprofit Arts and Culture Industry Generates \$42.4 Million in Economic Activity and Supports 1,068 Jobs Annually, According to Americans for the Arts

Arts Industry Returns \$3.8 Million in Revenue to Local and State Cooffers

WASHINGTON, D.C. — The nonprofit arts and culture industry generates \$42.4 million in annual economic activity in the Iron County, supporting 1,068 full-time equivalent jobs and generating \$3.8 million in local and state government revenues, according to the *Arts & Economic Prosperity IV* national economic impact study. The most comprehensive economic impact study of the nonprofit arts and culture industry ever conducted in the United States, *Arts & Economic Prosperity IV* was conducted by Americans for the Arts, the nation's leading nonprofit organization for advancing the arts and arts education.

According to the study, nonprofit arts and culture organizations in Iron County spent \$9.4 million during fiscal year 2010. This spending is far-reaching: organizations pay employees, purchase supplies, contract for services and acquire assets within their community. Those dollars, in turn, generated \$4.7 in household income for local residents and more than \$400,000 in local and state government revenues.

"Iron County and Cedar City, aka Festival City, have always known the importance of arts in our economy," said Cedar City Arts Council President Ray Inkel. "The results of this study hit home with economic figures that city and county leaders, businesses, and citizens can see. The Cedar City Arts Council and all area arts organizations know that we not only have an economic impact in the area but one that enhances the quality of life here. Citizens of Iron County have the opportunity to participate in more arts events than some major cities offer. We also see the positive effects on our students of having great access to the arts."

"This study shines a much-needed light on the vital role the arts play in stimulating and sustaining economic development," says Robert L. Lynch, president and CEO of Americans for the Arts. "Contrary to popular belief, the arts are a bustling industry that supports a plethora of diverse jobs, generates significant revenues for local businesses and to federal, state and local governments and provides quality of life that positions communities to compete in our 21st century creative economy."

Arts Industry Boon for Local Businesses

In addition to spending by organizations, the nonprofit arts and culture industry leverages \$33 million in event-related spending by its audiences. In Iron County, these dollars support 902 full-time equivalent jobs and generate more than \$3.3 million in local and state government revenues.

As a result of attending a cultural event, attendees often dine in local restaurants, buy gifts and souvenirs, and pay child care. The report demonstrates that 77.9 percent of audiences come from outside of the County and spend an average of \$120.80 over and above the costs of admission in comparison with local arts participants at \$11.52. In fact, 73.9 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, 64.1 percent of Iron County's non-resident survey respondents reported that they will spend at least one night away from home in Iron County as a direct result of attending the cultural event. Non-resident attendees who stay overnight in paid lodging spend an average of \$166.18 per person as a result of their attendance—significantly more than the overall per person average of \$120.80 for all non-resident attendees to events in Iron County.

"Investing in arts and culture yields economic benefits," adds Inkel. "This study lays to rest a common

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misconception: that communities support the arts and culture at the expense of local economic development. In fact, they are investing in an industry that supports jobs, generates government revenue, and is a cornerstone of tourism. This report shows conclusively that the arts mean business here in Cedar City and Iron County.”

The report creates a comparison with communities of similar size to Iron County, specifically populations of fewer than 50,000. The data shows that audiences attending events in our area contribute nearly 10 times more in direct expenditures, nine times as many full-time equivalent jobs, seven times the resident household income and eight times the state and local tax revenue than that of communities of similar size.

“When our community attracts cultural tourists, we harness significant economic rewards,” said Maria Twitchell, executive director of the Cedar City-Brian Head Tourism Bureau. “Visitors to our area who participate in the Utah Shakespeare Festival, Neil Simon Festival, Groovefest and the vast multitude of other cultural offerings in our area tend to stay longer and spend more money than the average windshield tourist. Iron County is loaded with the authentic and welcoming community character for which the cultural traveler is looking.”

About the Report

Data were collected from 13 eligible nonprofit arts and culture organizations and events in Iron County including Cedar City Arts Council, Cedar City Music Arts, Frontier Homestead State Park, Groovefest Music Festival, In Jubilo Women’s Chorus, Neil Simon Festival, Orchestra of Southern Utah, SUU College of Performing and Visual Arts and the Utah Shakespeare Festival. Each provided detailed budget information for fiscal year 2010 (e.g., labor, payments to local and nonlocal artists, operations, administration, programming, facilities, and capital expenditures/asset acquisition). In addition, these organizations reported that they received in-kind contributions with an aggregate value of \$1,610,689 during fiscal year 2010. These contributions were received from a variety of sources including corporations, individuals, local and state arts agencies, and government.

Arts & Economic Prosperity IV reveals a significant contribution to nonprofit arts and culture organizations as a result of volunteerism. During 2010, a total of 657 volunteers donated a total of 35,270 hours to Iron County’s participating nonprofit arts and culture organizations. This represents a donation of time with an estimated aggregate value of \$753,367 (Independent Sector estimates the dollar value of the average 2010 volunteer hour to be \$21.36). The 13 participating organizations reported an average of 53.7 volunteers who volunteered an average of 50.5 hours, for a total of 2,713 hours per organization.

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 representing all 50 U.S. states and the District of Columbia. Audience-intercept surveying, a common and accepted research method, was conducted to measure event-related spending by nonprofit arts and culture audiences. 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 type of analysis has been the basis for two Nobel Prizes. To complete the study for Iron County, the only Utah region that participated in the survey, project economists customized an input-output model based on the local dollar flow between 533 finely detailed industries within the county’s economy.

Nationally, the *Arts & Economic Prosperity IV* study reveals that the nonprofit arts industry produced \$135.2 billion in economic activity during 2010. This spending—\$61.1 billion by nonprofit arts and culture organizations plus an additional \$74.1 billion by their audiences—supported 4.1 million full-time equivalent jobs and generated \$22.3 billion in federal, state and local tax revenues.

The *Arts & Economic Prosperity IV* study was conducted by Americans for the Arts and supported by The Ruth Lilly Fund of Americans for the Arts. The full text of the national statistical report is available at www.AmericansForTheArts.org/EconomicImpact.

The Cedar City Arts Council mission is to support local artists in the folk, literary, visual, and performing arts in Cedar City and the surrounding area. By speaking with a collective voice, we seek to have a greater impact on the development of the arts in our community.
