

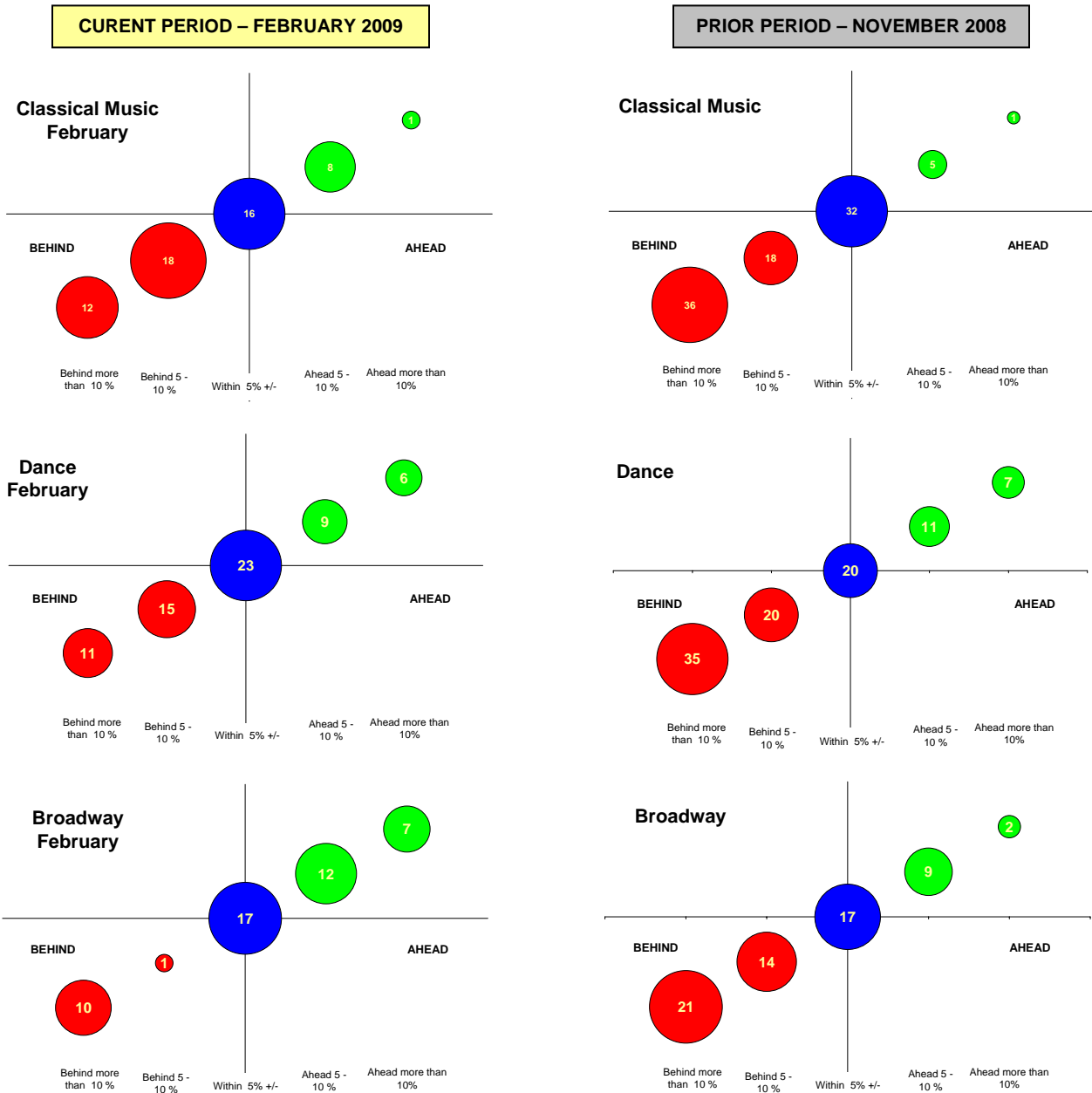
In this second edition of the Arts Presenters Tracking Survey we examine the continuing impact of the economic downturn on Arts Presenters Members. This short online survey explores impacts on activity, ticket sales and fundraising among 'presenter' members of the Association of Performing Arts Presenters. The information provided in this report was collected in February and reflects the prior thirty day period. A total of 173 organizations responded to the survey. Of these, nearly all (141 or 82%) were presenters with their own facilities while approximately 15% (22) were independent presenters and the balance (10 or 3%) were artist managers. The later two categories are not reported on in this edition due to the small sample size.

As a reminder, the next survey will be issued in mid-April. If you have any questions, please do not hesitate to contact us at 203-256-1616 or ams@ams-online.com. Thanks again for your participation; we trust you will find this information useful.

ACTIVITY AND ATTENDANCE STABILIZE WHILE FUNDRAISING IS A CONCERN

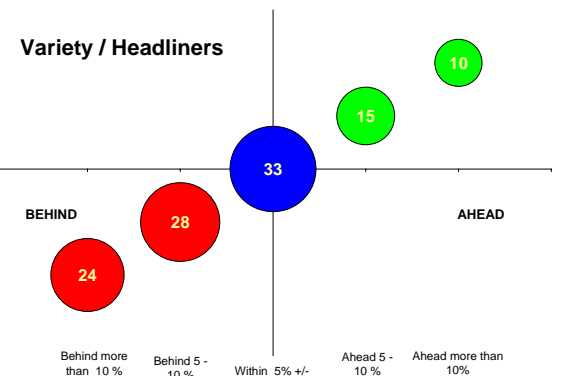
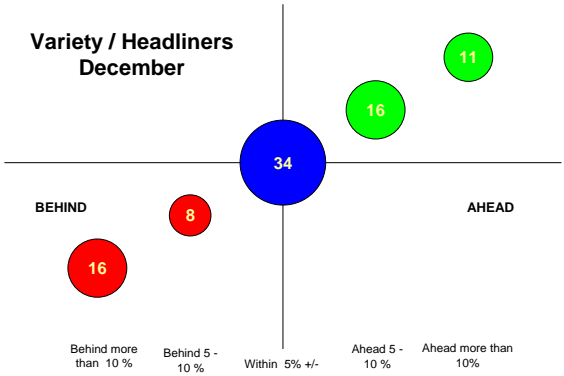
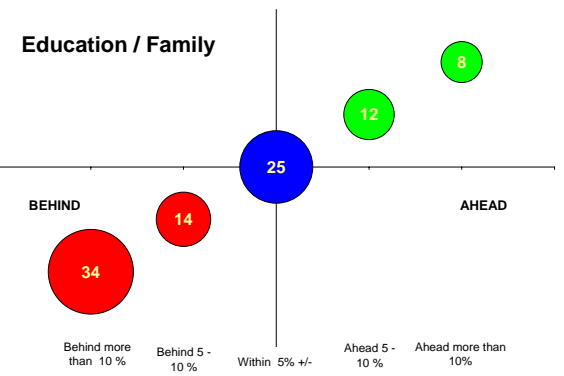
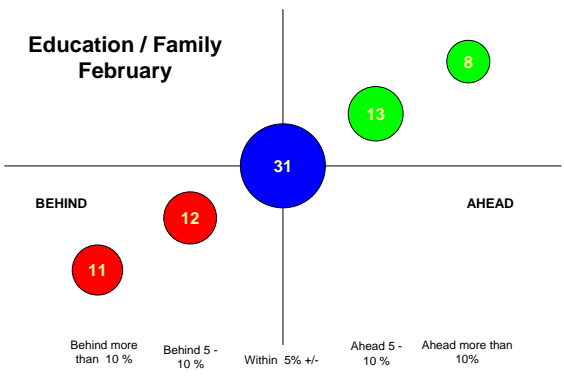
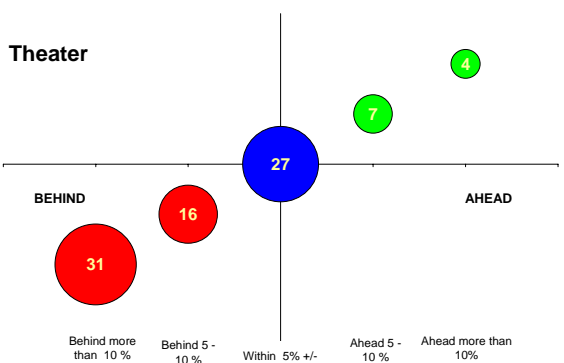
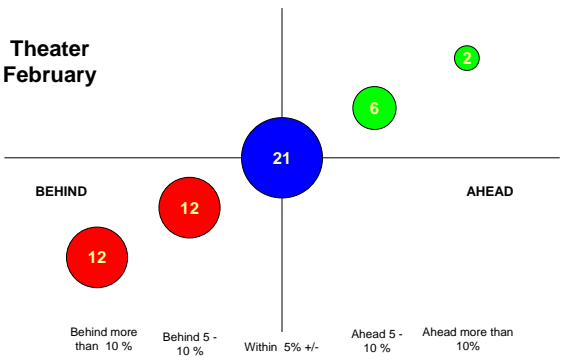
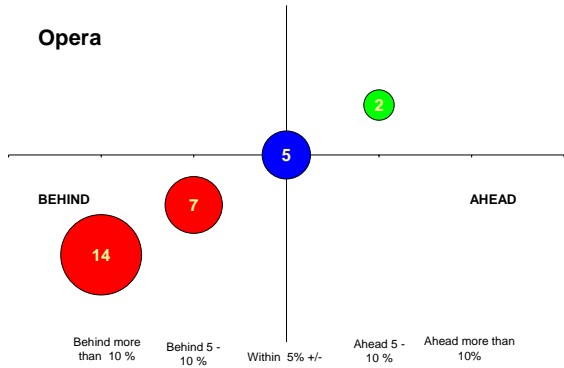
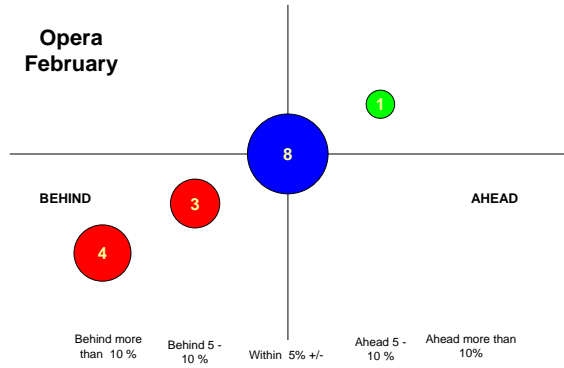
Across the arts sector organizations and their leaders are working hard to manage the effects of the economic slowdown. While in many cases there is still an expectation that the impact of the "economic crisis" is yet to be fully felt, the data suggest one possible direction. By comparing data from late last year with information collected in December we can see that some categories of programming are stabilizing or even improving (largely popular, headliner and variety entertainment) while others continue to struggle. More disconcerting is the rate at which fundraising targets are not being met. While slightly more pessimistic that 3 months ago, the largest number (65%) of presenters now expects the situation to remain the same or improve over the next six months. Most responding presenters are taking some steps to manage their risk but being careful not to over-react.

PROGRAMMING Respondents with facilities show a decrease in the number of program categories that are behind their budget targets and a slight gain in those that are within 5% or ahead. The only categories in which more organizations are meeting or exceeding budget is Broadway and variety and headliner acts.



CURRENT PERIOD – FEBRUARY 2009

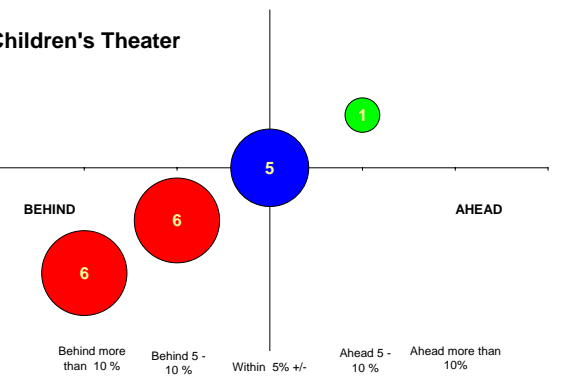
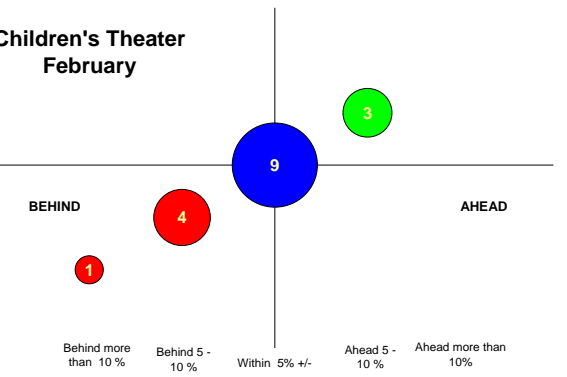
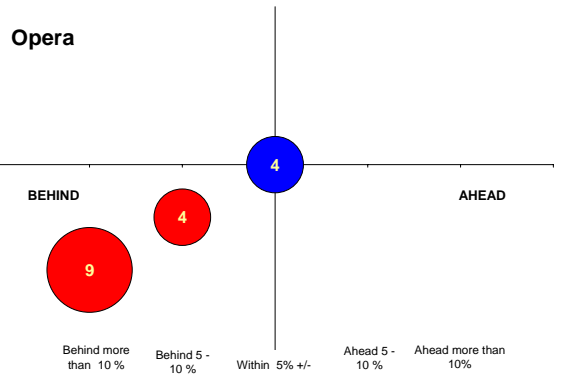
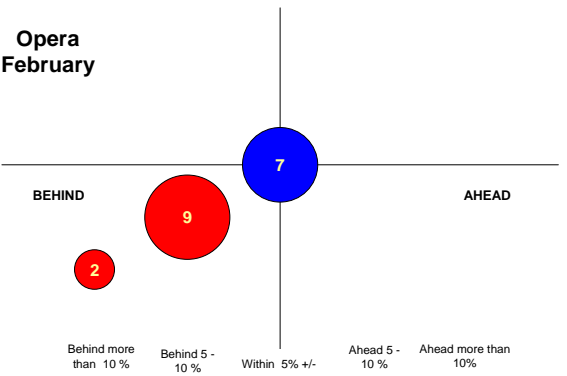
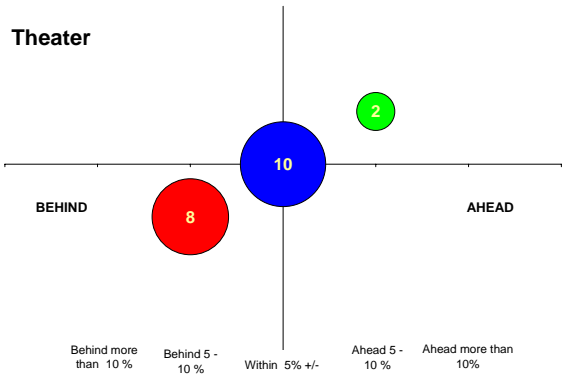
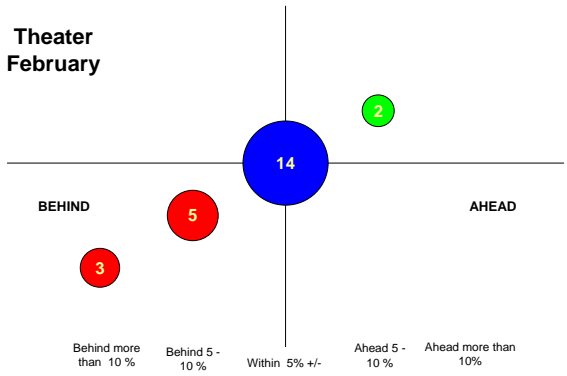
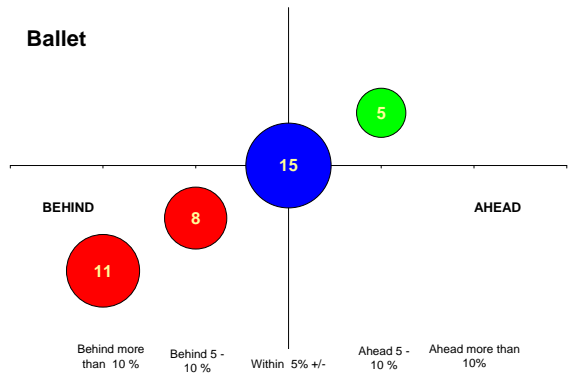
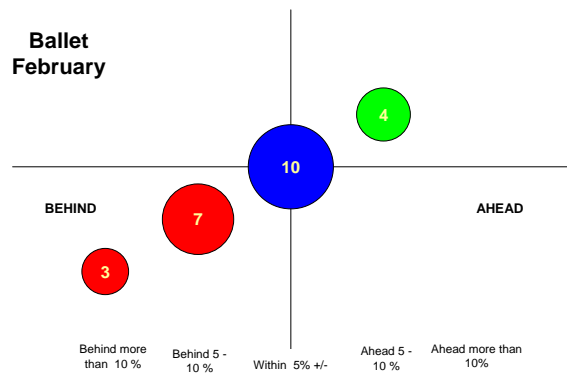
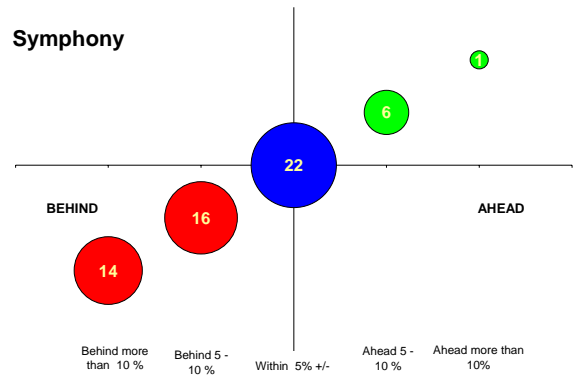
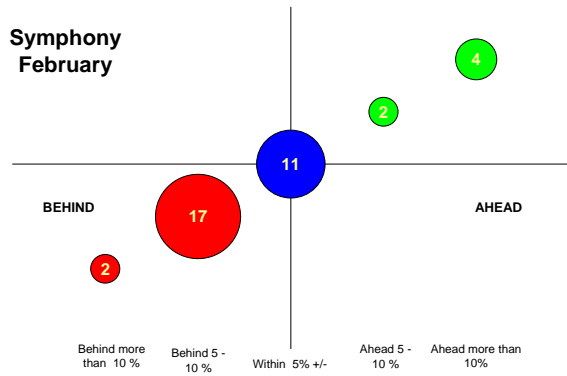
PRIOR PERIOD – NOVEMBER 2008



RESIDENT COMPANY PROGRAMMING Approximately 30% of respondents with facilities reported on resident company activity. In all cases except theater, the majority of organizations are reportedly behind their budget forecasts.

CURRENT PERIOD – FEBRUARY 2009

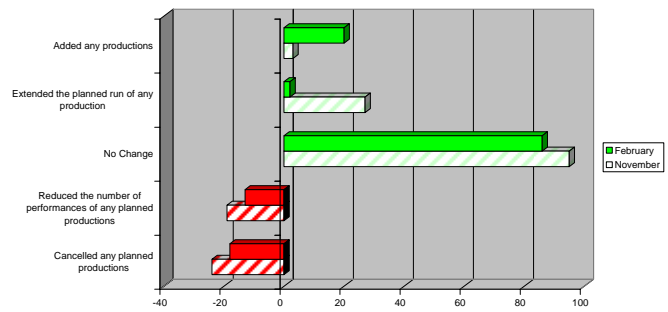
PRIOR PERIOD – NOVEMBER 2008



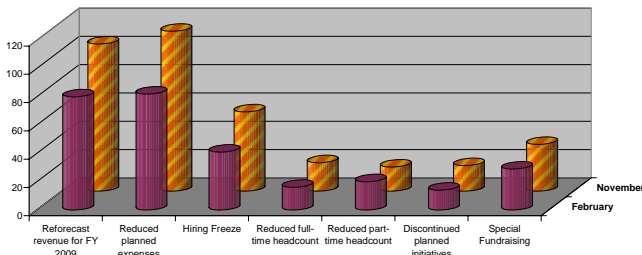
Managing Change

During the past thirty days, approximately 30% of presenters with facilities made some change to their production calendars. 15% either added productions or extended the run of productions. Most of the additional events are popular events: “we’ve added three pop music programs and one celebrity personality event,” said one presenter. Just over 30% either reduced or eliminated planned productions, typically noting: “Cancelled one ... program due to extremely low sales.” During the same time period, management

Center Programming Actions



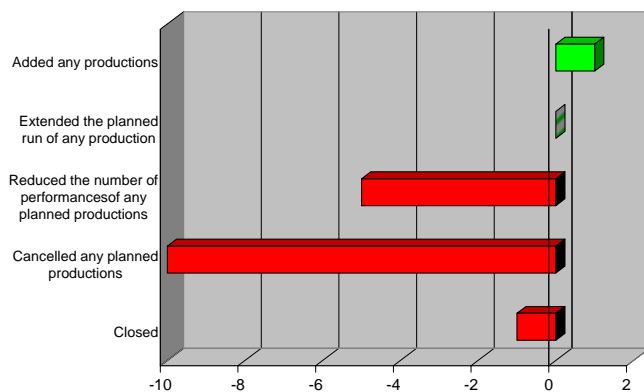
Management Actions



continues to take a variety of operational actions. A majority (57% of presenters with facilities) have reforecast revenue while 58% have reduced some planned expenditures. Just under one-third have instituted a hiring freeze while 11% have reduced fulltime headcount and 14% have reduced part-time headcount. Consistent with the last survey, 1 in 5 in both categories have initiated some type of special fundraising efforts.

During the past thirty days, presenters with facilities reported that one resident company closed while 10 cancelled planned productions and 5 reduced the number of planned performances. One presenter noted: “[the] ... Opera canceled one 09/10 production, [the local] Ballet ... cancelled 2 weekend runs for 09/10, [and the touring] ... Ballet cancelled Nutcracker [for] Dec 09. Only two Resident Companies added activity.

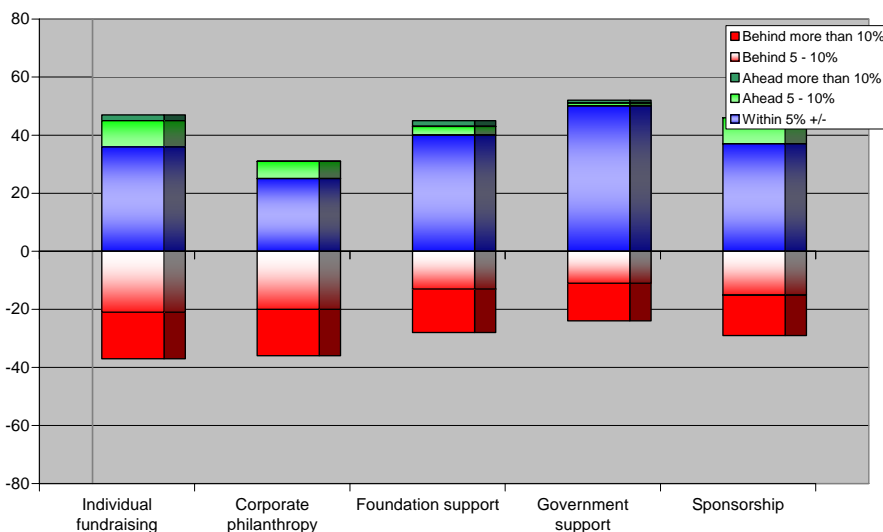
Impact on Resident Companies



Fundraising Results

During the past thirty days, fundraising has been significantly affected. Among presenters with facilities over 50% reported that fundraising efforts have failed to meet

Fundraising Results - February

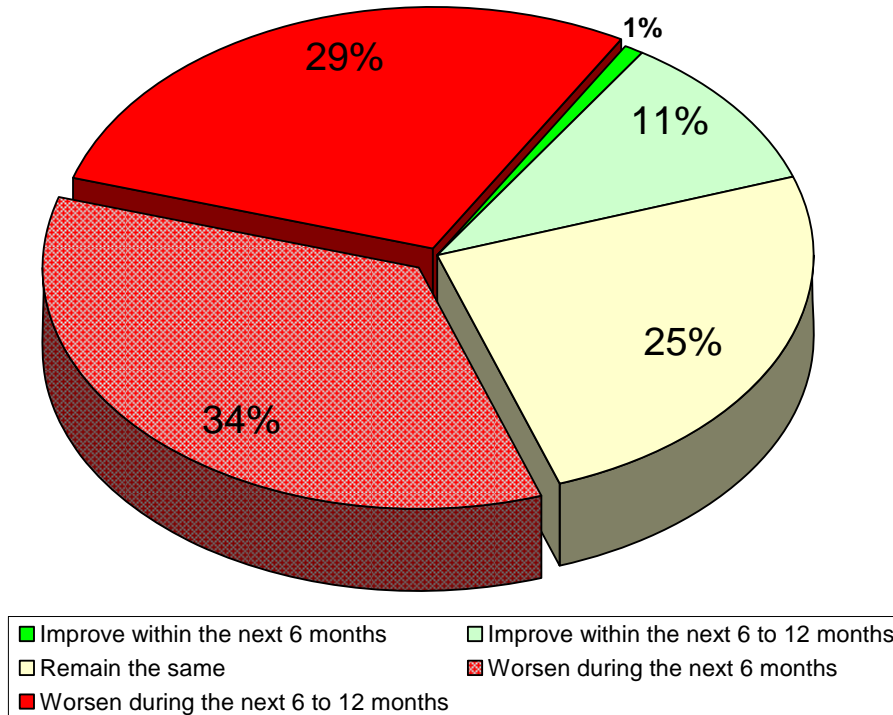


budgeted goals in one or more categories. Corporate philanthropy is the hardest hit category with 54% behind. 44% indicated that they are behind in individual fundraising while between one-third and forty percent indicated that Foundation giving, government support and/or sponsorship are behind goal. In a small number of cases (less than 10%), fundraising is ahead of budget. Comments are contradictory, with one successful presenter reporting: “At this moment we are tracking ahead of current campaign and soliciting renewals for 09-10 season. Current campaign renewal rate is 93.4%; highest ever (but fingers and toes are crossed) and corporate renewals of major sponsors are renewing at 100% right now representing about 50% of the campaign total. Very loyal community but not sure when we will hit a 'bottom' while another said: “Ticket sales are fine. Fundraising fell off a cliff.”

Looking Ahead

While nearly two-thirds of respondents still expect the economy to get worse over the next year, there is a slight improvement in the number from the prior survey who expect it to improve (from 30% to 36%) within the next year and a larger share now expecting the downturn to worsen only over the next six months.

Looking Ahead



Closing thoughts

The overall trend in the data for February is negative. That said, there are interesting contradictions that suggest some presenters are enjoying more success than others, and more clearly, resident companies are suffering more than presenters who operate venues. Most respondents are “waiting for the other shoe to drop” as subscription renewal windows open and prior funding commitments from governments, foundations and donors are fulfilled but new commitments not yet made. So the real impact continues to be an unknown. Many presenters are taking advantage of opportunities to present “popular” programming as these events still seem to be drawing strong audiences; remaining alert and proactively managing for success is critical. Over the next several months, we will continue to monitor the situation and report trends as they emerge. The situation is well-summarized as follows:

“I expect the next 6 months to be about the same - I am not certain that the Federal economic stimulus plans will have any immediate change +/- in our county (I think it may take longer). I think many businesses are experiencing some level of paralysis - holding their breath - hoping for improvement and anticipating dire circumstances. Although our calendar (booked 2 years out) remains very full, I expect that next season (FY10) is when we will really feel the impact from a reduction in government and sponsor support. We are anticipating a reduction of approximately 10% in government support and sponsorships could be reduced by 25% or more. We will certainly feel that decrease in revenue, but can weather it if it lasts 1 – 2 years.”