

The Economic Importance of  
**Arts and Cultural Attractions**  
in the Louisville Area



for  
The Arts and Cultural Attractions Council



by

Paul A. Coomes, Ph.D.  
Professor of Economics, and  
National City Research Fellow

Raj Narang  
Research Associate

**The College of Business and Public Administration**



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## EXECUTIVE SUMMARY

The arts and other cultural attractions are integral to the quality of daily life for residents and visitors to the greater Louisville area. We enjoy music, theatre, dance, exhibits, paintings, zoos, libraries, and other amenities at all stages of life. Indeed, we enjoy these treasures so much and so often that we sometimes take them for granted.

The impact of cultural attractions is not only social and spiritual, but also economic in nature. The human and financial resources deployed to offer the daily menu of cultural offerings in Louisville constitute an industry, one that has been little studied to date. This study is an attempt to fill that research gap.

There is also a more subtle economic development dimension to arts and cultural activities in our market. Community assets, like museums, opera, theatres, ballet, zoos, historic homes, libraries, and orchestras, attract talented people to move here. Potential residents, comparing Louisville to other large urban markets in the midwest, size up both the array of our cultural offerings and their perceived quality. Except for education, probably no other (manmade) piece of the quality of life quilt is as important as art and culture.

Conceived by executives of major cultural organizations in the area, the study has three primary objectives. First, we seek to carefully document the size and scope of the arts and cultural attraction industry in Louisville. Second, we seek to document how Louisville compares to other similarly sized markets in the various cultural dimensions. Third, we seek to establish a baseline that can be referred to two, five, and ten years from now after more investments have been made and programs evolve.

To this end, we have conducted interviews with the executives of forty-three top arts and cultural organizations in the Louisville area. They have generously provided attendance, budget, and other economic data, but also many hours of help with interpretation of the information. We have also acquired and organized data from membership associations that track cultural activity in markets across the country. Among the most important and interesting research findings described in this report are:

- √ Louisville area Arts and Cultural Attractions (ACA) organizations are collectively supporting an attendance of at least 7.8 million per year, roughly eight contacts per metro area resident. Further we estimate that about fifteen percent of attendees and visitors to ACA organizations reside outside the Louisville metropolitan area.
- √ These organizations have a collective annual budget of around \$104 million. Over forty percent of the revenues are generated from ticket sales and concessions. Government allocations and private donations account for about one-fourth each, with the remainder generated from investments. We estimate that ACA activities generate at least \$5 million in tax receipts annually for state and local governments.
- √ These organizations collectively employ about 2,000 persons, and have a combined annual labor cost of \$49 million. Annual earnings per job of ACA employees average about \$19,400, well below the average for all jobs in the Louisville MSA. This partly reflects the heavy reliance on part-time workers by ACA groups.
- √ The largest source of export sales - those to visitors - appears to be from the museums (especially the Louisville Slugger Museum, the

Kentucky Derby Museum, the Louisville Science Center, and the Speed Art Museum), performing arts (especially the PNC Broadway Series productions, the Kentucky Center for the Arts, Derby Dinner Playhouse, Actors' Theatre, and the Louisville Ballet), and the Zoo.

- √ Museums and nature attractions posted the largest growth in economic activity during the decade of the nineties. Strong growth came from the Falls of the Ohio state park, the Louisville Slugger Museum, and the Speed Art Museum.
- √ Relative to twenty comparison markets, Louisville ranks very high in sports museum, theatre, and ballet activity. In most other categories, including art museums, science museums, orchestras, opera, zoos, and libraries, Louisville's ranking falls about where one would expect based upon population size.

## Background

The Arts and Cultural Attractions Council is made up of executives of the largest and most important arts organizations, as well as prominent educational and entertainment organizations in the Louisville area. It also includes representatives of many smaller groups that serve cultural niches locally. The Council meetings are a forum for sharing information, discussing common management issues, and finding ways to jointly leverage marketing dollars. The Council uses its collective talents to raise the visibility of attractions in Louisville, both to Louisville residents and to visitors, and to influence public policy affecting arts and cultural attractions.

The Council is one of several industry networks supported by Greater Louisville Inc., the metro area Chamber of Commerce. GLI provides staffing for meetings and administrative support to the Council.

The present study was conceived by the Council's Research and Data Committee. Committee members felt that there was a need for a quantitative assessment of the economic importance of ACA activities in the Louisville area. They were

interested in knowing "how big are we?" and "are we growing?" They were also interested in knowing how our ACA activities stack up against other markets. A group of committee members raised the funds to support this study. Committee members include:

### Committee Cochairs

*Gail Becker, Louisville Science Center*  
*Craig Butthod, Louisville Free Public Library*

*Nathalie Andrews, Portland Museum*  
*Lynn Ashton, Kentucky Derby Museum*  
*Allan Cowen, Fund for the Arts*  
*Bill Foster, Louisville Zoo*  
*Peter Morrin, Speed Art Museum*  
*Joe Reagan, Greater Louisville Inc.*  
*Sandy Speer, Actors' Theatre*  
*Bill Williams, Louisville Slugger Museum*

This study required the cooperation of many people and organizations. The industry we call "arts and cultural attractions" is not identified in any public data sources. Hence, we relied upon the ACA organizations to provide us data on their activities, and also to share any comparable data on other markets that they may have by virtue of their membership in national organizations.

The local ACA organizations, even those with quite modest staff, were uniformly cooperative and open with their information. A few private ACA organizations, while generally supportive, could not reveal the sensitive information we requested. In those cases, we made estimates based upon less detailed data published elsewhere. Unfortunately, the project did not have sufficient scope to include many other cultural attractions and events, like art galleries, the St. James Art Fair, art associations, historic preservation districts, and film commissions.

The authors thank all the busy people who granted us interviews, went over budget data with us, shared national directories, and helped us understand their widely varying organizations and missions. Louisville is fortunate to have such a talented group of professionals running its ACA organizations.



# I. SIZE OF THE ARTS AND CULTURAL ATTRACTIONS INDUSTRY IN LOUISVILLE

## 1. Scope and Definitions

Broadly defined, arts and cultural attractions include any organized activity whose purpose is to enlighten, educate, and entertain local residents and/or visitors. Taken literally, this definition includes such diverse activities as movie theatres, night clubs, bible study groups, and bowling allies. To keep this research project manageable, the Arts and Cultural Attractions (ACA) Research Committee directed us to focus on the following general categories:

- Museums: visual art, science, sports, industry
- Performing Arts: orchestra, theatre, ballet, opera
- Heritage Sites: historic homes, research facilities
- Nature Attractions: zoo, arboretum, Ohio River
- Libraries: public

We have excluded, for example, schools and religious organizations, college libraries, sports, rock concerts, and seasonal events. This has the disadvantage of missing some major attractions, like Thunder Over Louisville, Kentucky Kingdom, the Derby, the PGA Championship, the Louisville Riverbats, and the St. James Art Fair. However, the limited scope does allow us to focus more sharply on the activities of most interest to the sponsors.

An annotated listing of the participating organizations is provided as Appendix A. A copy of the survey instrument is included as Appendix B.

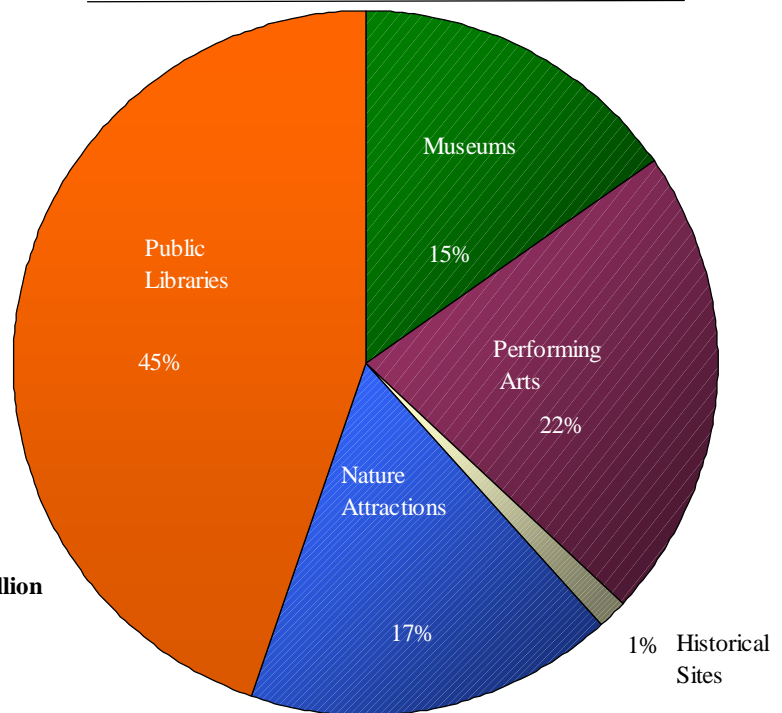
For similar reasons, we also had to restrict the types of information collected. Our efforts focused on obtaining good data on attendance, performances, revenues, expenditures, employees, payrolls, and physical assets. We did not attempt to examine marketing or management issues.

The reference time periods for the estimates vary, depending upon the reporting cycles of the organizations. We asked all organizations for their latest accurate information. In some cases, the data refer to the 1998-99 fiscal year; others refer to 1999-00, and a few reported calendar year 1999 data. In all cases, we have used annual totals.

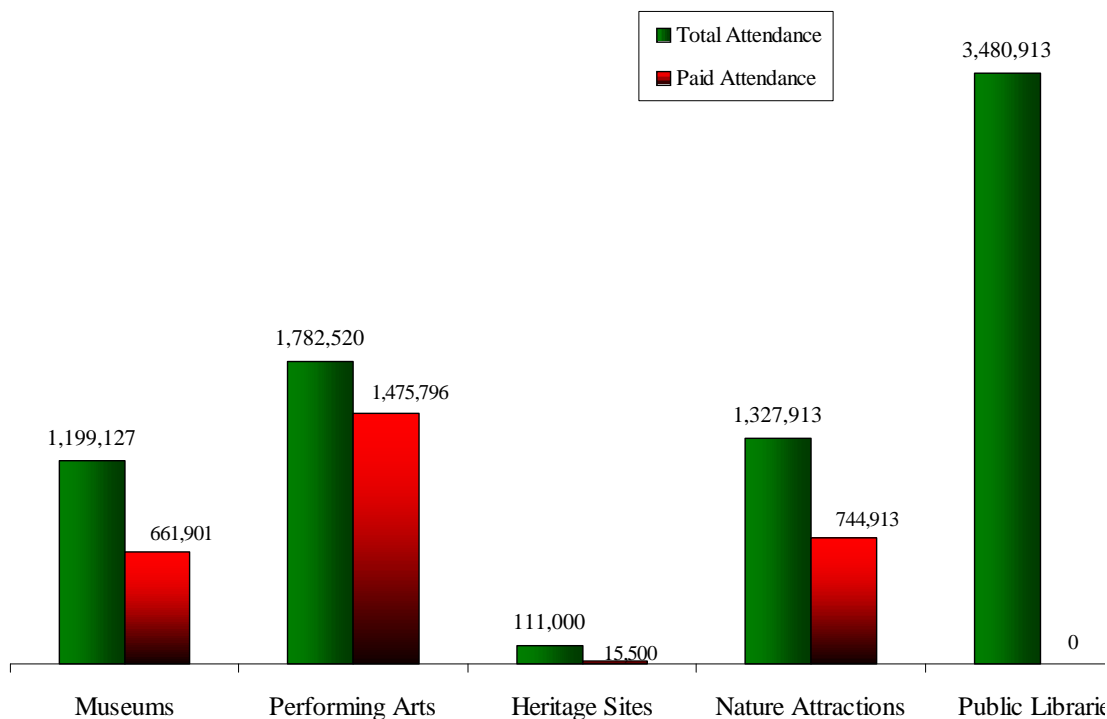
## 2. Attendance

Based on our surveys and interviews we estimate that ACA organizations posted attendance of 7.8 million persons. This includes, of course, all the patrons using the area's public libraries, a service

**Total Attendance at the ACA Organizations**



## Paid v/s Total Attendance



provided by local governments at no additional charge. This number includes cross-visitation (one person going to more than one ACA organization) and multiple-visitation (one person going to the organization more than once in the year). This suggests that there are on average about eight ACA visits per year for every Louisville MSA resident.

Paid attendance across all organizations amounted to 2.9 million. The Louisville Zoo had by far the largest volume of paid attendance, with over 600,000 paid admissions. The other larger organizations in this category are the Louisville Science Center, Slugger Museum, and Kentucky Derby Museum, the Palace Theatre, Actors Theatre, Derby Dinner Playhouse, the PNC Broadway Series, the Louisville Orchestra, and Stage One - each posting greater than 100,000 in paid attendance.

Some of the organizations surveyed had very good information on the place of residence of their attendees, while others could only hazard an educated guess. We used both the quantitative and

qualitative information provided to construct estimates for each attraction.

The distinction between resident and nonresident spending is a standard way to begin measuring the local economic impact of industries or events. Most ACA organizations serve at least two sets of constituents. They serve local residents who desire the ongoing opportunity to listen to fine music, see a play, or visit an exhibit. But they also serve tourists, house guests, business travelers, and others who may reside anywhere in the world but choose or find themselves in the Louisville area seeking an ACA service. These nonresidents bring “new” money to the local economy, purchasing not only admission tickets, but also hotel rooms, restaurant meals, transportation, and merchandise. These “export” sales make the local economy bigger, through their linkages to local vendors and through the rounds of respending of the pay checks earned by ACA workers.

Good local examples of export-based ACA organizations are the Kentucky Derby Museum and the



Louisville Slugger Museum. Over two-thirds of their admission sales are to people who live outside the Louisville MSA. Tied to internationally recognized brand names, they are popular stops for conventioners and house guests, and to an extent are destinations in themselves. Sales to these non-residents support local employees and vendors, and generate a larger local tax base.

We used the seven-county Louisville, KY-IN metropolitan statistical area (MSA) as our geographic definition of “local”. The MSA geography certainly captures most of the daily flow of working, shopping, and playing in the Louisville market. Nearly all of the private support and taxes paid to support ACA organizations comes from residents of the seven-county area.

Overall, we estimate that about 1.2 million, or fifteen percent, of the total attendance at ACA organizations is accounted for by nonresidents. Museums (471,000) and performing arts organizations (406,000) account for most of the nonresident attendance.

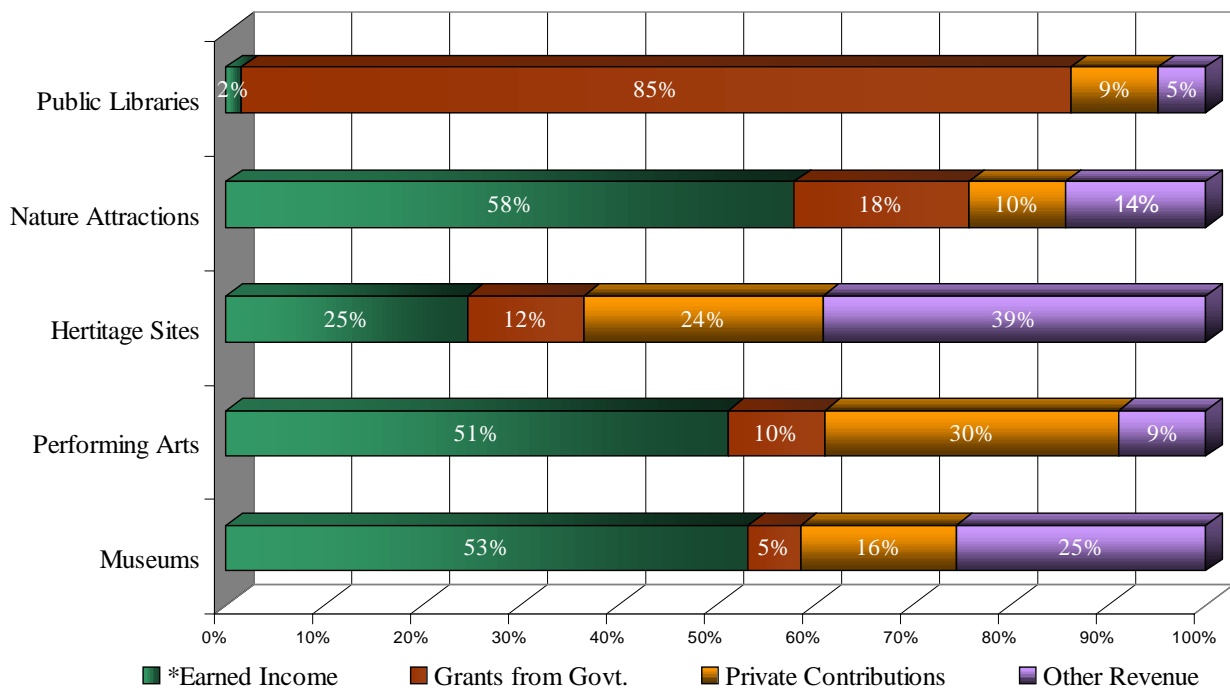
### 3. Revenues and Expenditures

We estimate that the forty-three ACA organizations have a combined annual operating budget of \$104 million. Over forty percent of the revenues are generated from ticket sales and concession revenues, though this varies widely across categories. The performing arts organizations generate 86 percent of the total paid admissions. Museums and the zoo also generate significant admission revenues, but tend to supplement that with other “earned” income, especially from food concessions and gift shop sales.

About \$26 million in public sector allocations and grants were used to finance ACA operations for the study year. Naturally, the public libraries receive most of their funding from government. Other ACA organizations heavily supported by the public are the Kentucky Center for the Arts, the Louisville Zoo, the Louisville Science Center, the Fund for the Arts, and Actors’ Theatre.

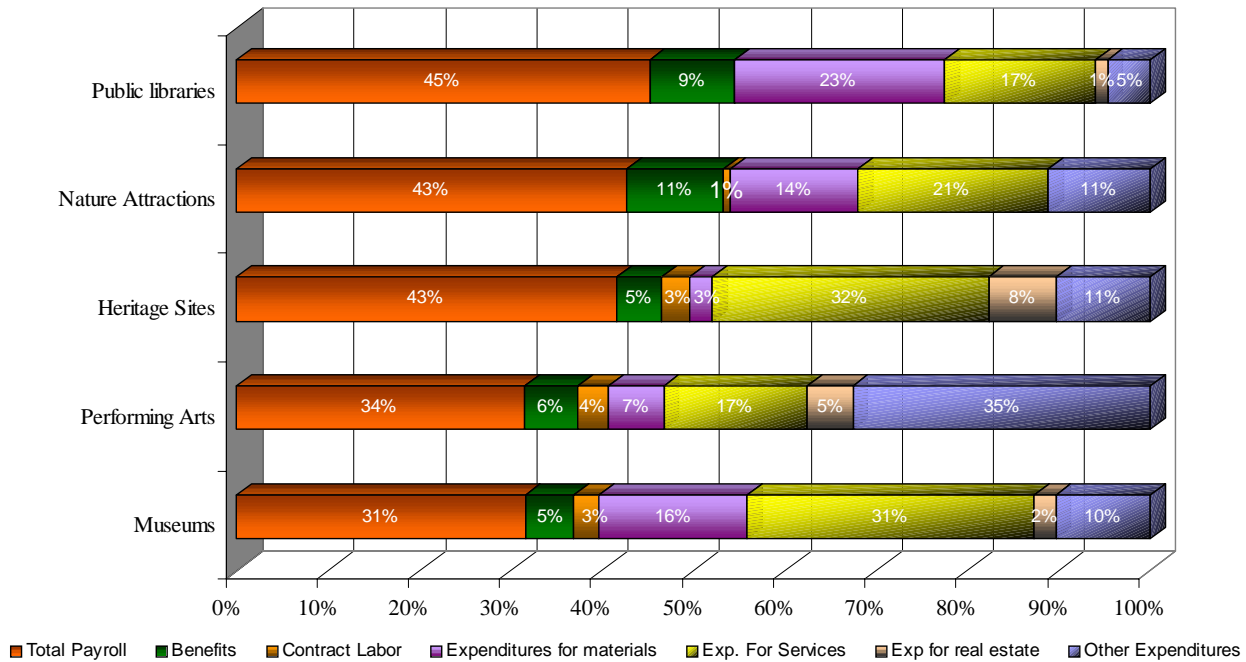
Private sector grants to ACA organizations were nearly as large as those from the public sector. About \$22 million in private donations, membership, and

**Sources of Income of ACA Organizations**



\* Earned Income = Revenues from Admission + revenues from concessions + other revenues from sales

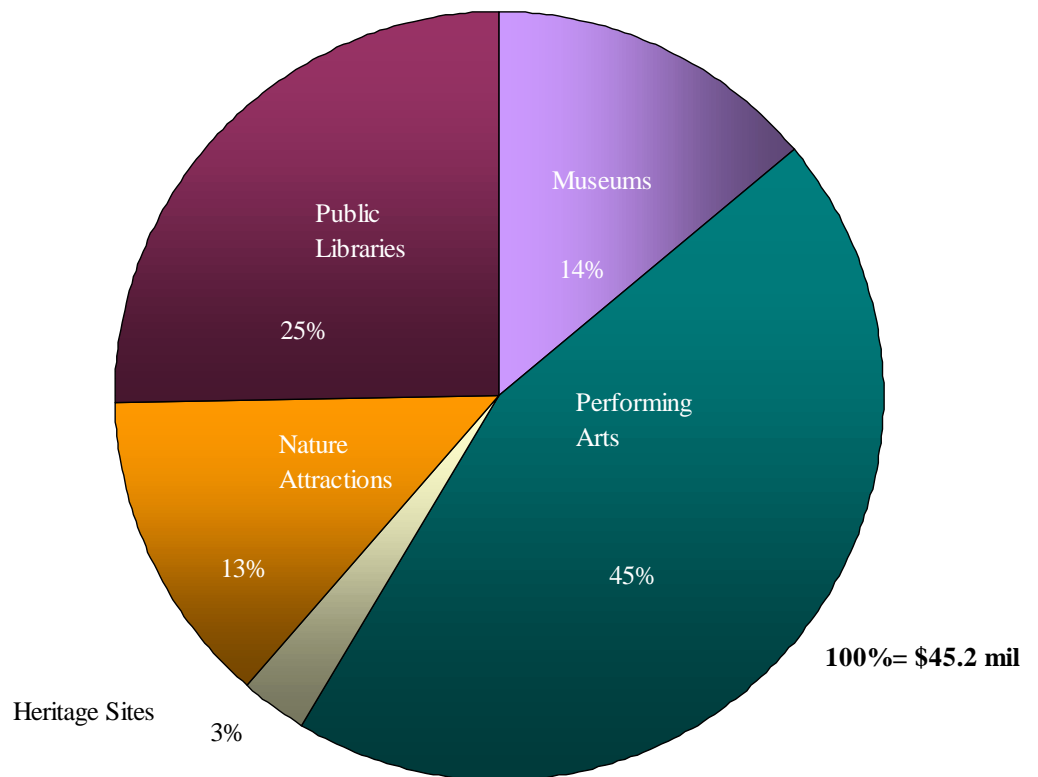
### Expenditures by the ACA Organizations



subscriptions were used to finance operations. The largest recipients were Actors' Theatre, the Louisville Orchestra, the Speed Art Museum, the Louisville Ballet, and the Louisville Opera - each receiving over \$1 million in private contributions.

Some ACA organizations have large endowments and use proceeds from investments to finance operations and construction.

### Total Payroll and Benefits of the ACA Organizations







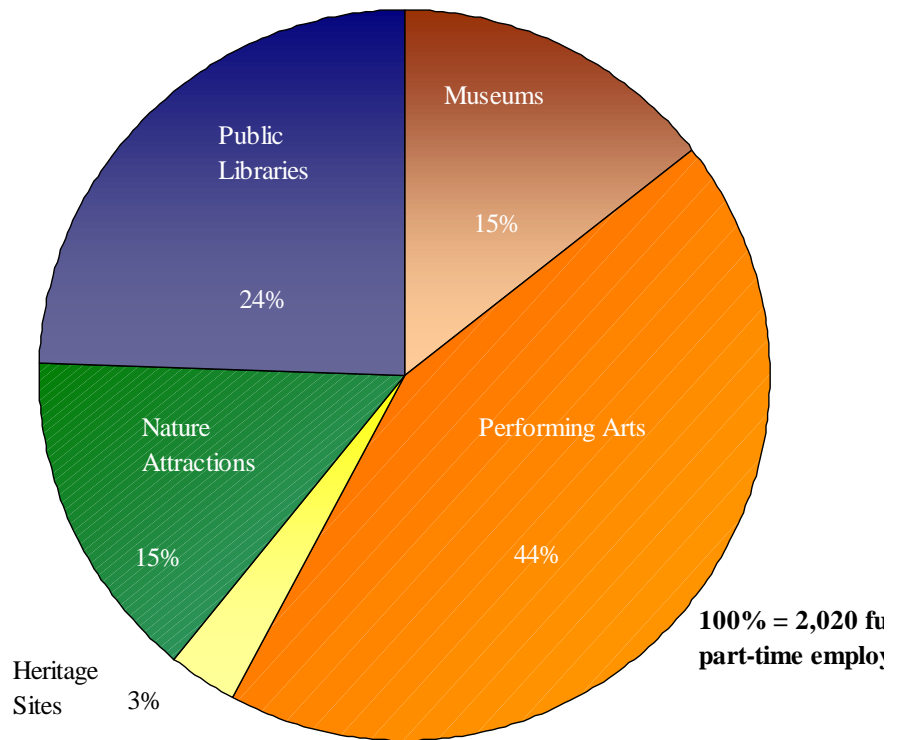
The Speed Art Museum, the Louisville Orchestra, Actors' Theatre, and the Filson Club stand out in this regard. We estimate that collectively about \$8.7 million in revenues from investments were used for operations during the study year.

Labor costs account for over forty percent of operating expenses for ACA organizations.

This is not surprising, given the labor-intensive nature of the services provided. Libraries, nature attractions, and heritage homes incur the largest percentage labor costs. In absolute terms, however, the performing arts organizations have the greatest payroll. Collectively, the fifteen performing arts organizations have labor costs of around \$22 million annually. This includes \$16.6 million in wages and salaries to employees, \$3.4 million in employee benefits, and \$1.8 million in contract labor costs.

We estimate that the ACA organizations spent over \$13 million for materials (office supplies, props, animal food), \$22 million for services (utilities, insurance, banking, catering), and \$4.7 million for real estate (leases).

### Employment by ACA Organizations



#### 4. Employment, Volunteers

The 43 ACA organizations that participated in the survey employ approximately 1,170 full-time employees in the Louisville area. They also employ over 800 part-time workers (450 FTEs) and use 8,400 volunteers.

To put the ACA employment number in perspective, this is roughly the same level as for each of the following well-known local organizations: Bank One of Louisville, Bell South, Baptist East Hospital, the Archdiocese of Louisville, and Jefferson County government.

Employees of ACA organizations earn on average less than what employees earn in the overall Louisville economy. According to our survey data, the average annual earnings per job, excluding fringe benefits, is about \$19,400. The average wage and salary job in the Louisville MSA paid about \$29,000 in 1999. This discrepancy partly reflects the heavy reliance upon part-time workers by the ACA organizations.

The performing arts had the largest number of volunteers and volunteer hours, compared to the other four categories. About 4,650 volunteers donated time towards the performing arts in the last year with Actors Theatre attracting more than 1,050 volunteers.

The nature attractions were the second highest in deploying volunteers, with almost 1,900 volunteers in that category. Most of these volunteered for the Louisville Zoo (1,500 volunteers).

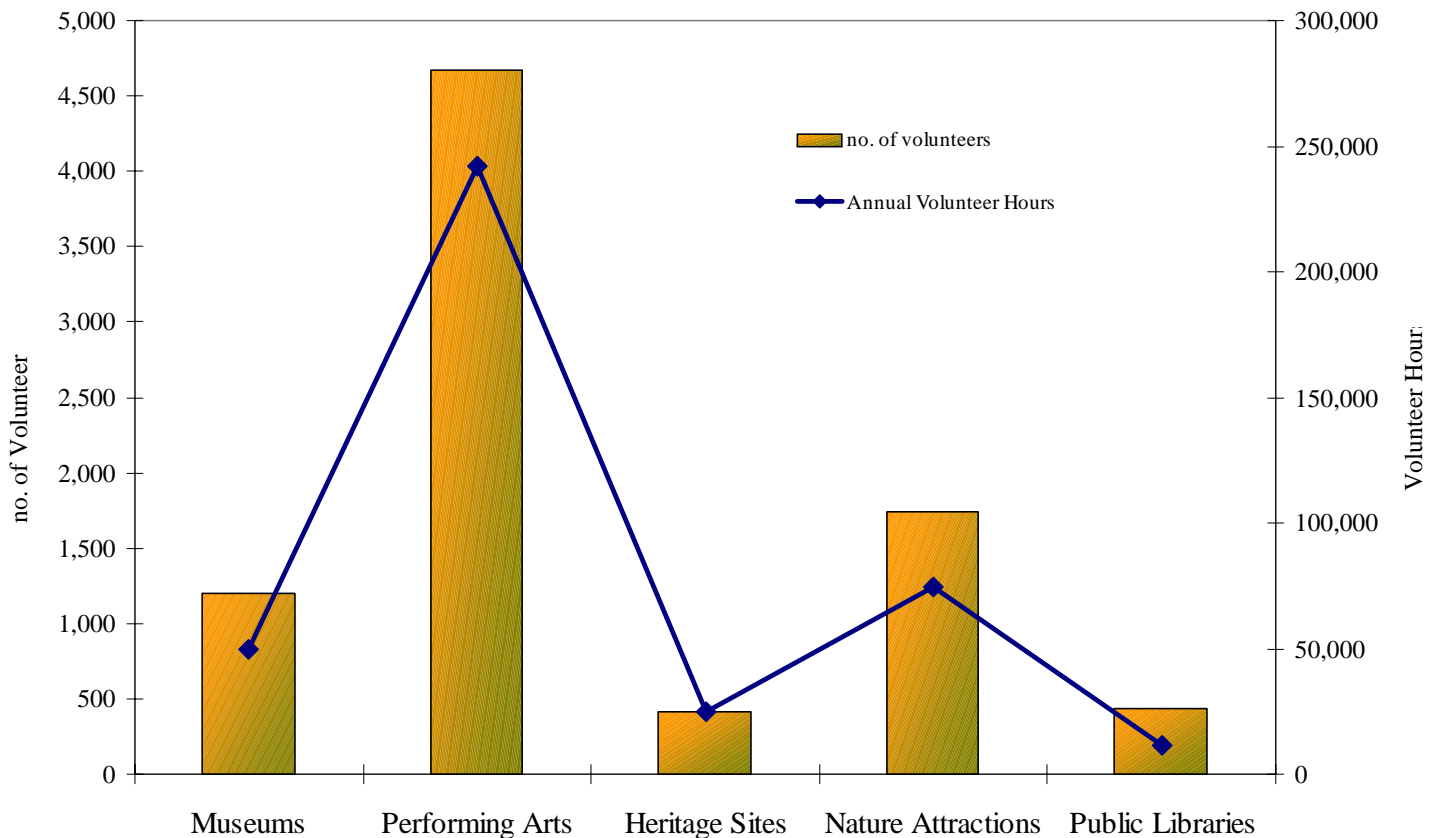
In all, about 400,000 hours of volunteer time was spent towards arts and cultural organizations in the area. Using an 8-hour work day, this amounts to 50,000 days volunteered towards these organizations.

### 5. Physical Assets of ACA Organizations

We also collected some data on the real estate owned or controlled by the ACA organizations. We were able to document real estate valued for insurance purposes at \$220 million. The physical footprint of the buildings controlled by ACA groups is at least 1.2 million square feet.

We found that ACA groups collectively control over 4,000 parking spaces. Parking is particularly an issue in Louisville’s central business district, an area where many ACA groups are sited. Six ACA groups collectively control 1,160 parking spots in the CBD.

**Number of Volunteers and Annual Volunteer Hours for ACA Groups**





## 6. Tax Receipts Generated

We have made an estimate of amount of annual tax receipts that ACA events generate for state and local governments. Sales tax revenues are generated from gift shop sales, food service, and some admission tickets. Employees pay local occupational taxes and state income taxes. They also pay state sales taxes as they spend their incomes in the local economy.

We estimate that the ACA organizations are directly linked to over \$4.9 million in annual tax receipts. This flow cannot be considered “net new” tax dollars, as most of the attendance at ACA events is from local residents. Nevertheless, it is important to recognize that the events do generate a tax flow.

The estimates provided in the table are generated from reported concession and payroll data discussed above. Effective tax rates for state income and sales taxes were used to convert payroll to additional tax flows. Effective tax rates are simply the historical

ratio of tax receipts to payrolls for the metro economy as a whole. These are the same rates used in hundreds of industrial economic development studies over the last decade.

ACA organizations and events also generate other tax flows for which we as yet have no basis for measurement. For example, we know there is a certain amount of out-of-town travel to Louisville to visit museums, the zoo, heritage sites, and to see performances. Many of these visitors stay overnight in a local hotel, purchase restaurant meals, fill up their tank with gasoline, and purchase merchandise while in town. All of these purchases generate additional tax flows. To make reasonably precise estimates of that tax flow, however, we would need some hard data on the amount and character of destination trips to ACA events. A similar profile for mid-distance (100 to 200 miles) day trippers would also be useful.

<b>Estimated Annual Tax Revenues</b>	
<b>Linked to Louisville Arts and Cultural Attractions</b>	
<b>Wages and salaries paid by ACA organizations</b>	
in City of Louisville	\$34,966,336
southern Indiana	\$3,883,106
other Kentucky counties	\$1,813,565
<b>Total</b>	<b>\$40,663,007</b>
Concessions, gift shop sales, etc	\$15,707,401
<b>Local occupational taxes</b>	
City of Louisville	\$437,079
Jefferson County School System	\$209,798
Transit Authority of River City	\$69,933
<b>State income and sales taxes</b>	
Kentucky state government	\$3,780,722
Indiana state government	\$414,763
<b>Total Occupational, Income, and Sales Taxes</b>	<b>\$4,912,294</b>

## 7. Growth in the 1990s

We would ideally like to make some precise statements about the growth of ACA activities in the last decade. Unfortunately, the requisite information - primary or secondary data - is simply not available. Estimates of employment, payroll, and sales are available regionally by industry from the federal government, but are not detailed enough to track our ACA industry grouping. We asked each of the forty-three organizations surveyed about growth in the last decade, but only about one-half were able to provide some comparable economic data from 1990. We can, however, report a number of findings.

First, several major new ACA attractions have come on line in the last decade. The Falls of the Ohio State Park was just being developed ten years ago, and had only one part-time employee. Last year, the park posted an attendance of 470,000 visitors and has eight full-time employees. Similarly, the Louisville Slugger Museum moved to downtown Louisville several years ago, greatly expanded its offerings, and now is a major attraction and economic entity. And the Speed Art Museum has undergone a major renovation and expansion, doubling its attendance and payroll over the last decade. With the recent enhancement of the Kentucky Derby Museum, it seems clear that Louisville's museum industry is substantially bigger now than in 1990.

We were able to obtain good comparable figures on all three major nature attractions in the Louisville area - the Louisville Zoo, the Falls of the Ohio State Park, and Bernheim Forest. All three attractions posted strong growth. Collectively, they posted attendance growth of 42 percent, and payroll growth of 76 percent between 1990 and 1999.

Growth figures for the performing arts groups, as a whole, do not appear as strong as those for museums and nature attractions. For example, the payroll for the Louisville Orchestra grew only fifteen percent over nine years, an annual growth rate of less than two percent. The Louisville Ballet posted a twenty percent growth in attendance, with only a ten percent growth in payroll.

By comparison, the population of the Louisville MSA grew by six percent between 1990 and 1999, while the number of jobs grew by nineteen percent and the payroll of workers in the MSA grew by fifty-two percent. The most appropriate measure of inflation here is the implicit price deflator for US personal consumption expenditures. It grew by twenty-two percent over the same period. Using this inflation measure to adjust the payroll growth numbers in Louisville results in a "real" payroll growth in the metro of thirty percent. One interpretation is that Louisville's economy grew in real terms by nearly a third during the nineties.

### Summary Demographic and Economic Data, Louisville MSA

	1990	1999	percent change	compound annual growth rate
Number of Residents	950,462	1,005,849	5.8%	0.6%
Number of Jobs*	561,123	668,857	19.2%	2.0%
Earnings of Employees and Proprietors*	\$13,003,531,000	\$19,758,879,515	52.0%	4.8%
Price Index (1996=100) **	85.63	104.57	22.1%	2.2%

\* Job and earnings for 1999 estimated by authors, based on complete data through 1997.

\*\* US Personal Consumption Expenditures. Source: US Bureau of Economic Analysis.



## II. HOW LOUISVILLE COMPARES TO OTHER MARKETS

Does Louisville stand out in its arts and cultural attractions relative to other markets its size? In what areas are we strong, average, and weak? In an attempt to answer these questions, we have reviewed many national publications and acquired a number of databases that ostensibly provide standard measures across markets in the United States. Data on performances, attendance, budgets, and workforce can provide valuable indications of our relative standing. They, of course, cannot tell us much about the quality of the arts nor the causes of our rankings, but should - taken as a whole - provide insights about Louisville's standing.

The comparison measures differ, organization by organization, based on the nature of the activity and institutional idiosyncracies. For example, while the ballet organizations use the number of annual

performances to benchmark their rankings, the museums look primarily at total attendance to track themselves. Unfortunately, we could not find any good quantitative measures for heritage sites in the twenty-one markets.

### 1. Comparison Markets

We have selected twenty markets for comparisons to Louisville. The comparison markets were selected based on their population size, their proximity, and historical competitiveness with Louisville. However, not all data of interest is available for all cities and activities of interest. The accompanying table provides the list of markets, their 1998 population, and their growth during the last decade. Note that six are smaller, and fourteen are larger, than Louisville. This is important to keep in mind as we review the rankings.

**Comparison Markets, Population Size and Growth**

Metropolitan Area	Number of	Change from 1990	
	Residents	Residents	Percent
	July 1998		
Birmingham, AL MSA	908,508	68,566	8.2
Charlotte-Gastonia-Rock Hill, NC-SC MSA	1,383,080	220,940	19.0
Cincinnati, OH-KY-IN PMSA	1,617,836	91,746	6.0
Cleveland-Lorain-Elyria, OH PMSA	2,222,731	20,662	0.9
Columbus, OH MSA	1,469,604	124,154	9.2
Dayton-Springfield, OH MSA	948,522	-2,748	-0.3
Evansville-Henderson, IN-KY MSA	290,757	11,767	4.2
Greensboro--Winston-Salem--High Point, NC MSA	1,167,629	117,325	11.2
Indianapolis, IN MSA	1,519,194	138,703	10.0
Jacksonville, FL MSA	1,044,684	137,957	15.2
Kansas City, MO-KS MSA	1,737,025	154,151	9.7
Lexington, KY MSA	449,645	43,709	10.8
<b>Louisville, KY-IN MSA</b>	<b>999,267</b>	<b>50,255</b>	<b>5.3</b>
Memphis, TN-AR-MS MSA	1,093,427	86,121	8.5
Nashville, TN MSA	1,156,225	171,199	17.4
Omaha, NE-IA MSA	693,900	54,320	8.5
Pittsburgh, PA MSA	2,346,153	-48,658	-2.0
Portland-Vancouver, OR-WA PMSA	1,818,955	303,503	20.0
Raleigh-Durham-Chapel Hill, NC MSA	1,079,873	221,388	25.8
Richmond-Petersburg, VA MSA	957,032	91,392	10.6
St. Louis, MO-IL MSA	2,563,801	71,453	2.9

Source: US Bureau of the Census

## 2. Museums

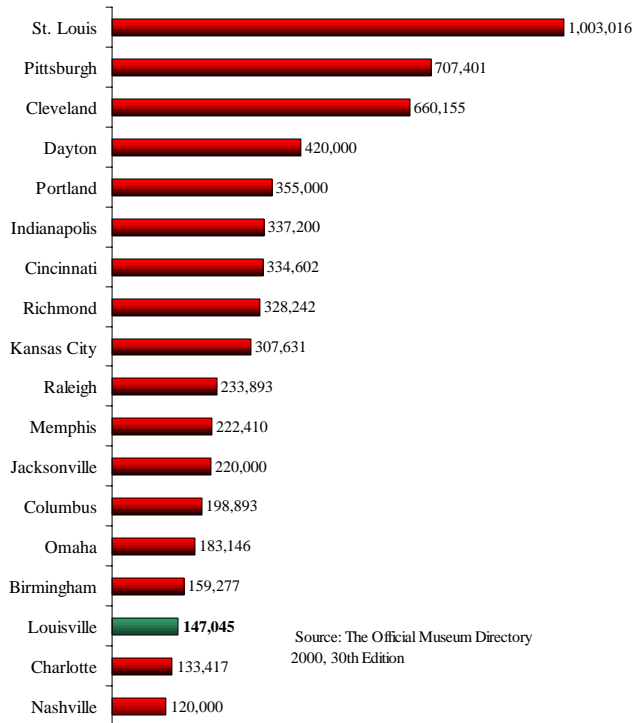
The Association of Art Museum Directors publishes a statistical directory for major art museums in the United States. Information was reported for art museums in eighteen of our comparison markets. Attendance in 1999 for each of the twenty-five museums is shown in the figure on the facing page. Louisville's Speed Art Museum ranked fourteenth in attendance for that year.

Since several of the comparison markets have more than one art museum, we have aggregated the attendance data for each market and constructed two more charts - one showing absolute attendance, the other showing attendance divided by the population of its home market.

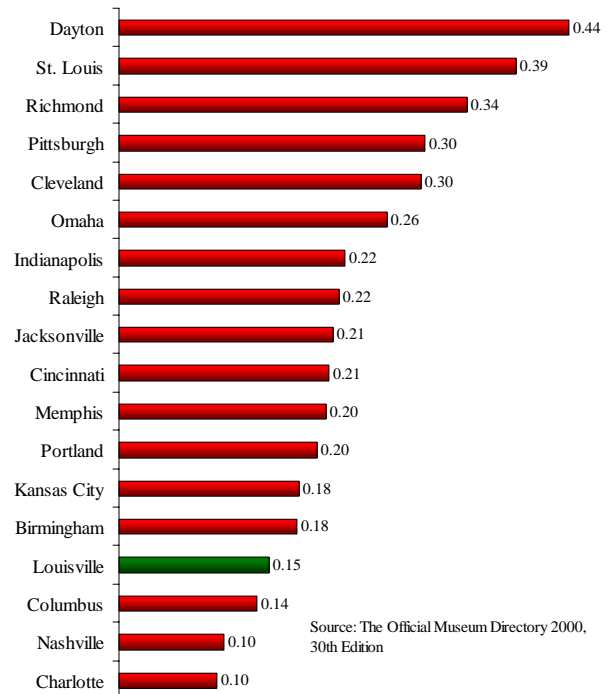
The Louisville market ranked sixteenth in absolute attendance and fifteenth in per capita attendance. Note that Greensboro, Evansville and Lexington report no art museum attendance.

It appears that Louisville is in a league with other mid-sized markets, including Memphis, Nashville, Charlotte, Birmingham, Columbus, and Omaha. However, several of Louisville's traditional economic competitors post much larger art museum attendance and employment numbers. Dayton, Indianapolis, Cincinnati, and Memphis all rank much higher than Louisville.

**Attendance at Art Museums, 1999  
by Metro**

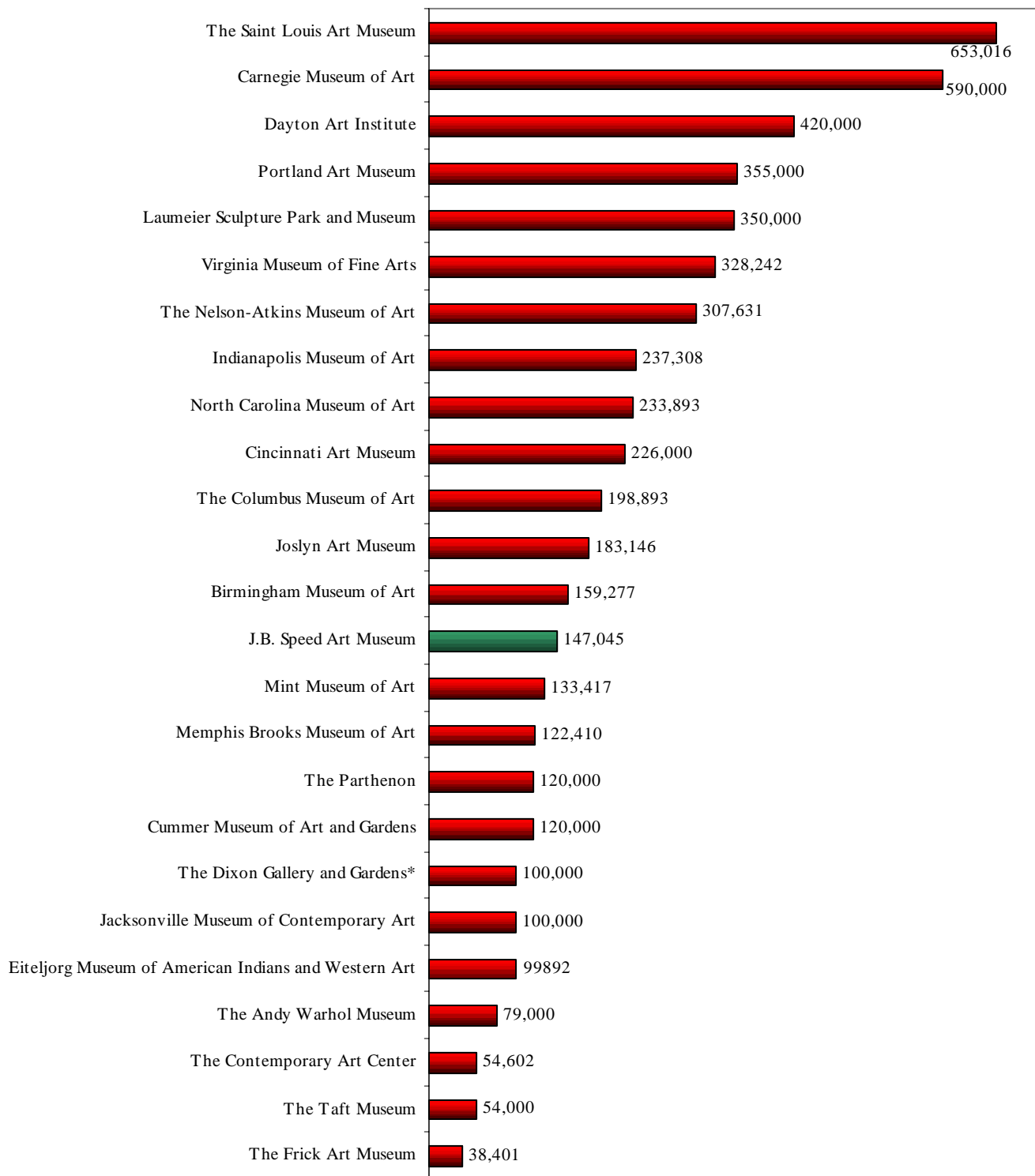


**Per Capita Attendance, Art Museums,  
by Metro, 1999**



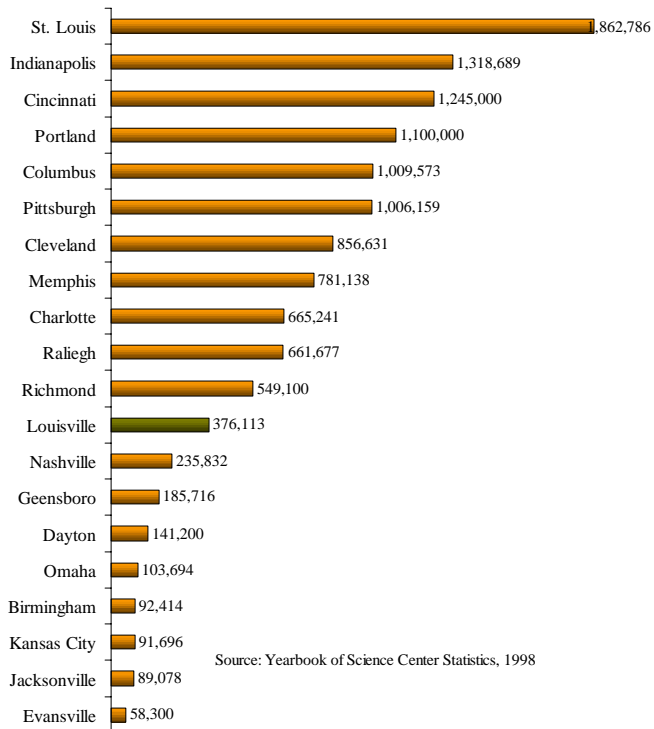


## Art Museum Ranking by Attendance, 1999

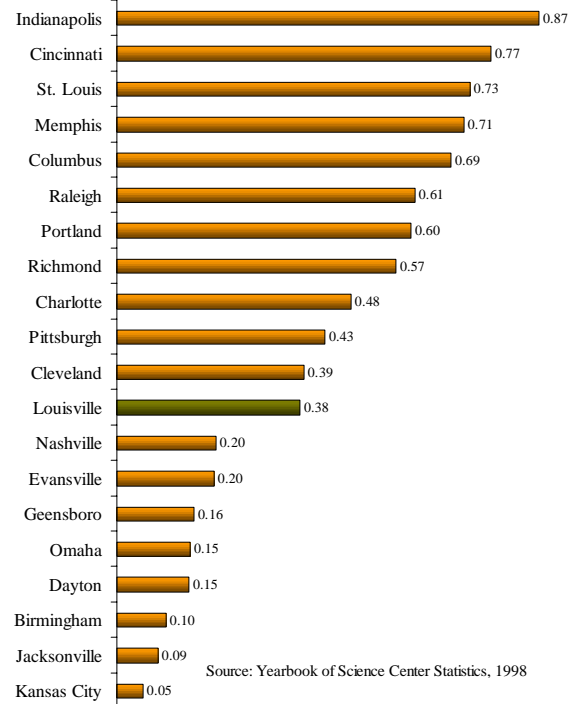


Source: The Official Museum Directory

**Total Attendance at Science and Children's Museums, by Metro, 1997**



**Per Capita Attendance at the Science and Children's Museum, by Metro, 1997**



All of our comparison markets, except Lexington, have science and/or children's museums, according to *The Yearbook of Science Center Statistics*. The Louisville Science Center gives Louisville an attendance, employment, and revenue ranking in the lower-middle of the twenty markets on a per capita basis. Two prominent regional competitors, Indianapolis and Cincinnati, have major children's and science center attractions, and lead the list on a per capita basis.

Louisville has two prominent sports-oriented museums, and a third on the way. The Kentucky Derby Museum and the Louisville Slugger Museum are major local attractions, and account for a large portion of the out-of-town attendance for all arts and cultural attractions in the Louisville market. The long-planned Muhammad Ali museum has just obtained core funding from the Kentucky state legislature and the City of Louisville.

The *Official Museum Directory* lists hundreds of museums of all types in the United States. We found only six museums in a scan of the directory for sports-oriented museums in our twenty-one

comparison markets. Lexington, Louisville, and Indianapolis stand out in attendance and employment, and Louisville is clearly the leader in the number of paid employees. (The attendance numbers should be viewed as approximations, given the obvious rounding that occurred.)

Another directory is published by the International Association of Sports Museums and Halls of Fame, of Lafayette, Louisiana. Unfortunately, the association does not consistently compile or release data on attendance and other economic activity measures. The following additional sports-oriented museums are listed for the comparison markets:

- Golf House Ohio, Columbus
- Jack Nicklaus Museum, Columbus
- NCAA Hall of Champions, Indianapolis
- National High School Sports Hall of Fame, Kansas City

- The National Pastime: Museum for Minor League Baseball, Memphis
- Tennessee Sports Hall of Fame, Nashville
- North Carolina Sports Hall of Fame, Raleigh
- St. Louis Cardinals Hall of Fame Museum, St. Louis





## Sports-Oriented Museums

	Market	1999 Attendance	Personnel	
			Full- time paid	Part- time paid
American Saddle Horse Museum	Lexington	20,000	4	7
International Museum of the Horse	Lexington	250,000	6	4
Kentucky Derby Museum *	Louisville	200,000	27	27
Louisville Slugger Museum	Louisville	225,000	14	20
Indianapolis Motor Speedway Hall of Fame	Indianapolis	350,000	9	26
International Bowling Museum and Hall of Fame	St. Louis	36,619	7	10

Source: *The Official Museum Directory 2000*, 30th Edition.

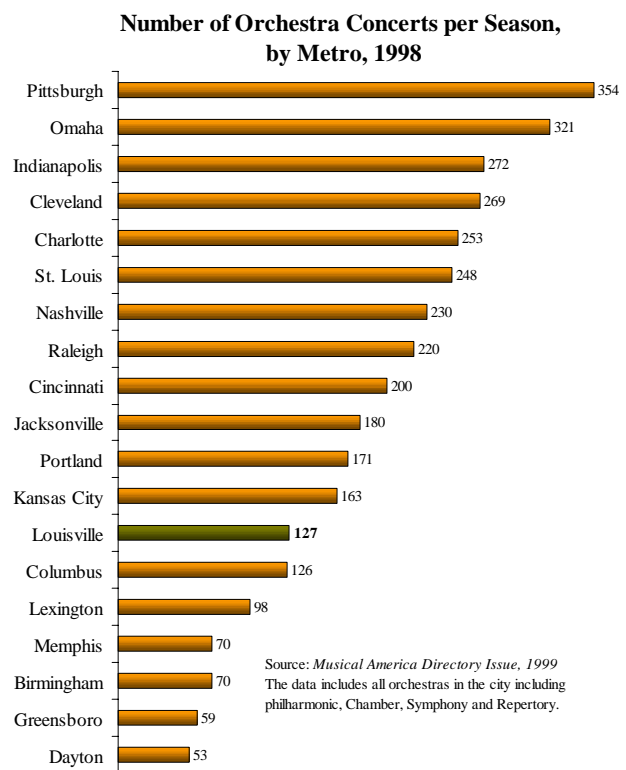
\* The published numbers differ from the museum's internal records. The museum reports 1999 attendance of 155,000 with 35 full-time and 10 part-time employees.

### 3. Performing Arts

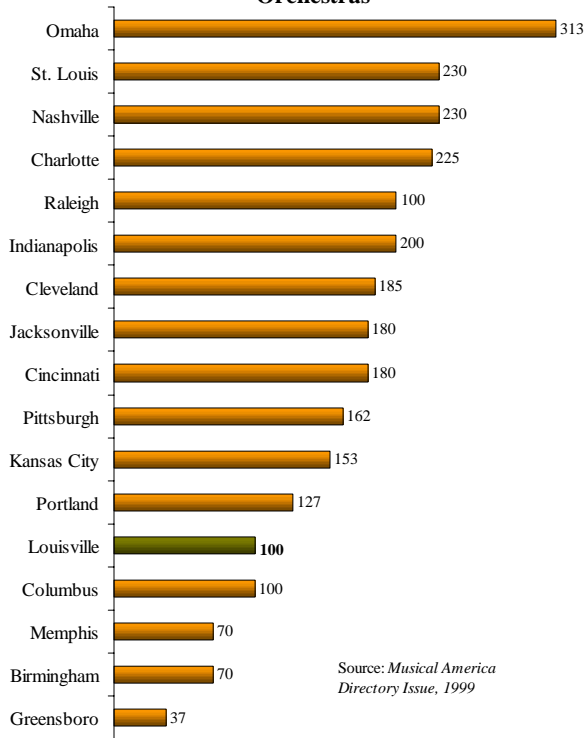
We were able to identify good national data sources for most of the important performing arts categories, including symphonic orchestras, theatre, opera, and ballet.

An excellent data source for orchestras is the *Musical America Directory Issue*. It includes data on all orchestras in each city, including philharmonic, chamber, symphony and repertory. Louisville ranks twelfth in number of annual performances among the nineteen markets reporting orchestra activity. For symphony orchestras only, Louisville ranked thirteenth of seventeen markets. Louisville is closest in the rankings to Columbus and Portland, two markets of similar size. Louisville had more performances than Memphis or Birmingham, two comparable cities to the south. Indianapolis, Cincinnati, and Nashville - traditional economic competitors in the region - all report many more performances than Louisville, however.

A third chart shows the number of full-time players in the thirteen orchestras that are members of the International Conference of Symphony and Opera Musicians Association (ICSOM). Louisville ranks ninth in the compilation, sandwiched between Kansas City and Raleigh.

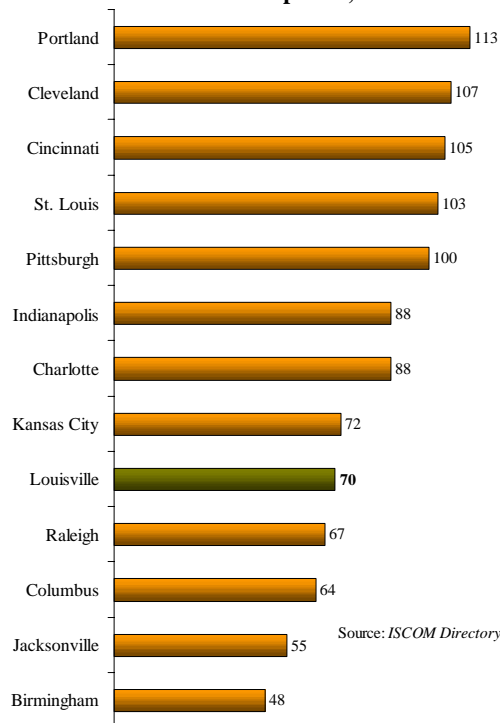


**Number of Concerts Per Season by Symphony Orchestras**



Source: *Musical America Directory Issue, 1999*

**Full-Time Employment by Selected Orchestra Companies, 1999**



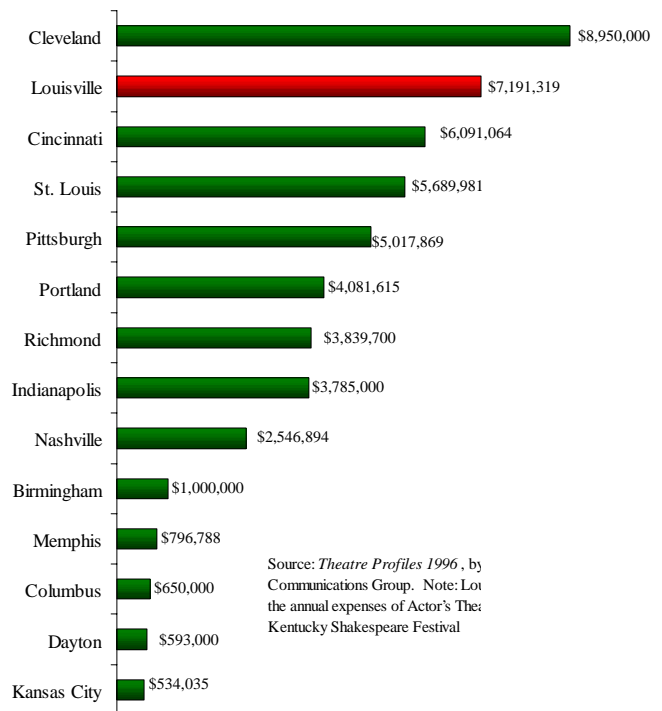
Source: *ISCOM Directory, 1999-2000*

The Louisville market truly stands out in theatre, at least in terms of the expenditures by theatre groups in each market. According to *Theatre Profiles 1996*, by Theatre Communications Group, Louisville groups spent \$7.2 million that year. The directory provides data on three Louisville area groups - Actors' Theatre, Stage One, and the Kentucky Shakespeare Festival. A complete listing of theatre companies and their 1995 expenditures is provided in the chart on the next page. (The TCG data refer only to nonprofit groups, and exclude for example many off-Broadway productions.)

Overall, Louisville is second only to the Cleveland market, and is clearly the highest of the markets on a per capita basis. Unfortunately, the TCG does not release data on other important measures, such as performances, admissions, and employment.

Actors' Theatre puts Louisville in a league with much larger markets, like Cleveland, Cincinnati, Pittsburgh, and St. Louis.

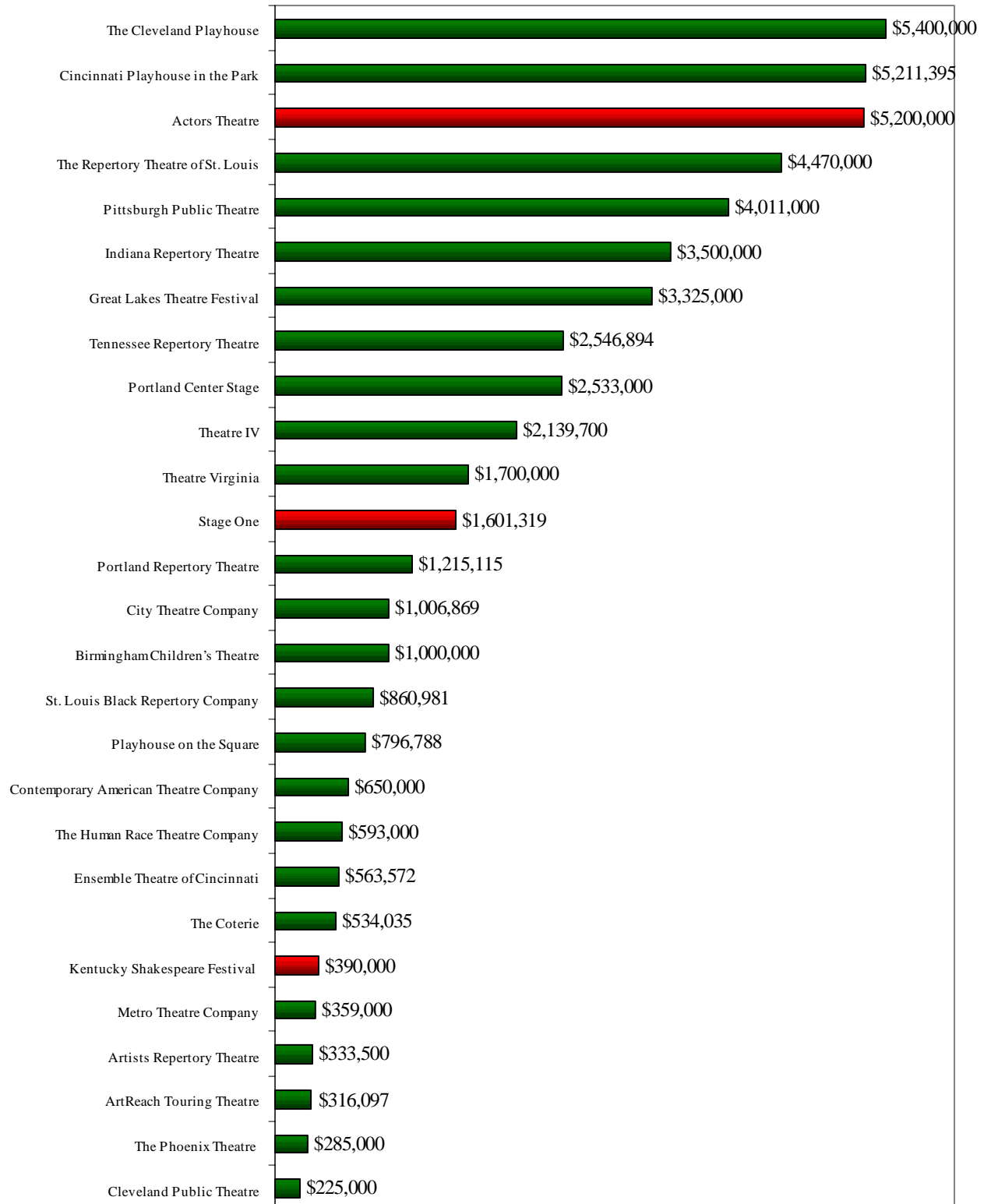
**Annual Expenses of Theatres, by Metro, 1995**



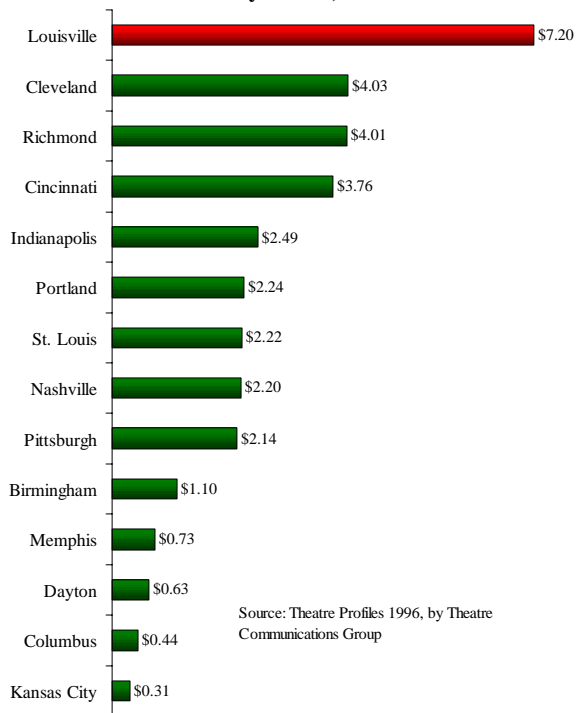
Source: *Theatre Profiles 1996*, by Communications Group. Note: List the annual expenses of Actor's Theatre and the Kentucky Shakespeare Festival.



## Theatre Ranking by Annual Expenses, 1995



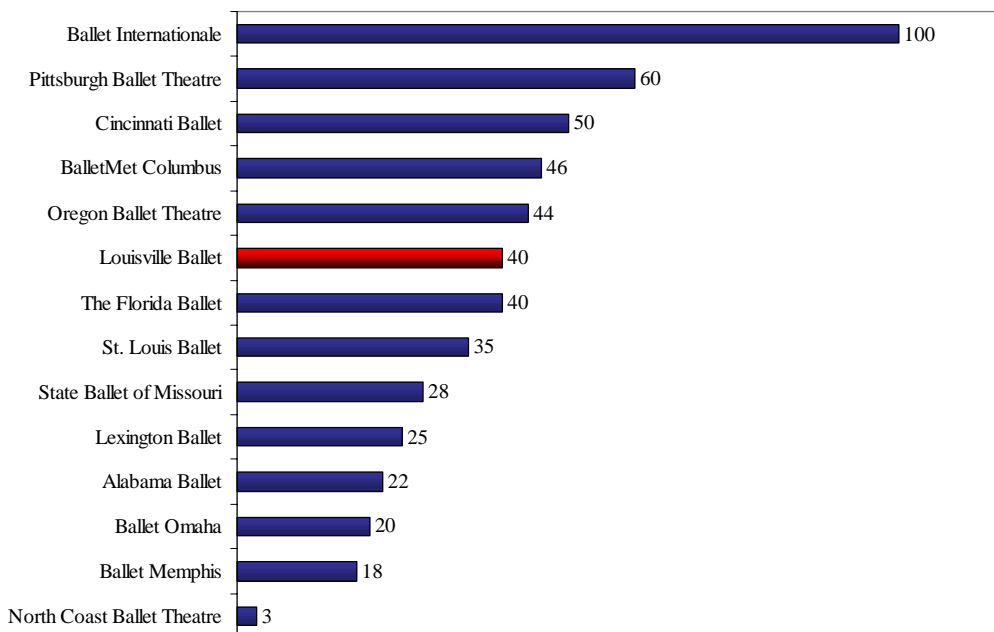
**Per Capita Annual Expenses of Theatres  
by Metro, 1995**



Louisville ranks highly in a ranking of ballet performances by market. The Louisville Ballet gave forty performances in 1998, according to the *Musical America Directory Issue, 1999*. This is sixth highest among the twenty-one markets, and second only to Indianapolis and Columbus on a per capita basis. Only fourteen of the markets supported a ballet company, according to the *Directory*. Louisville’s forty performances is similar to that for the Florida Ballet in Jacksonville, higher than the St. Louis Ballet’s 35 performances, but below the Cincinnati Ballet’s 50 performances. The leader was Indianapolis’s Ballet Internationale, followed by the Pittsburgh Ballet Theater.

According to Opera America, the Kentucky Opera ranked 11<sup>th</sup> in main stage attendance with over 12,000 attendees. It also got a similar ranking with regard to the main stage performances (8 performances). The Virginia Opera had over 40 performances and main stage attendance over 58,000. However, the Virginia Opera actually performs in (and is supported by) three markets - Richmond, Norfolk, and Fairfax.

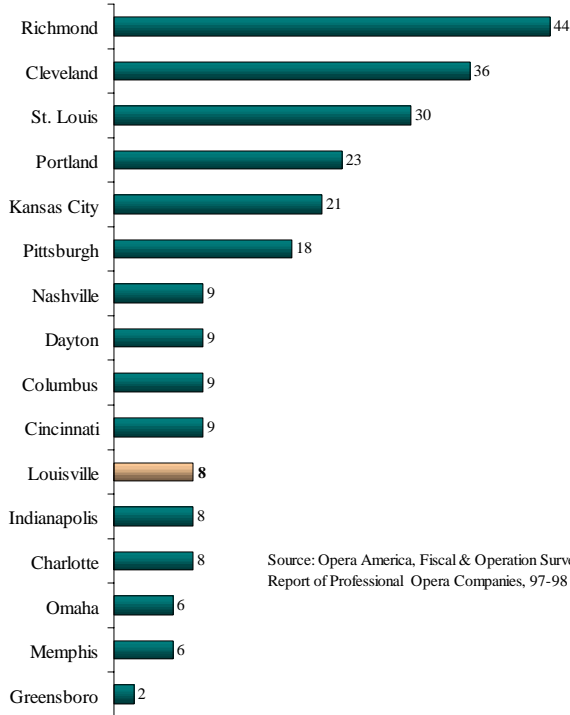
**Ballet Company Ranking by Number of  
Annual Performances, 1998**



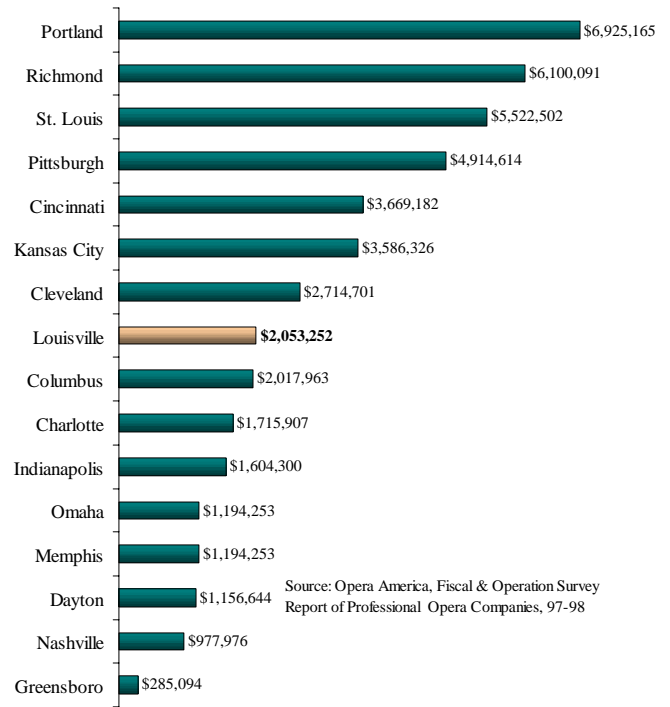
Source: Musical America Directory Issue, 1999



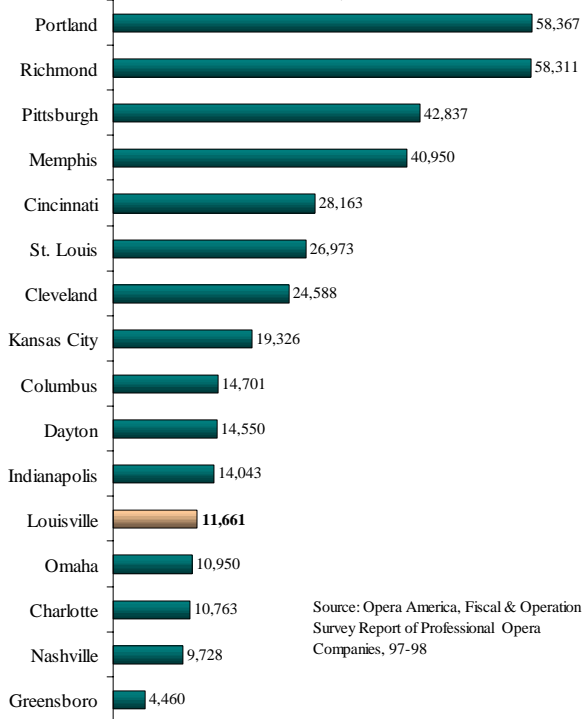
**Mainstage Performances by the Opera Companies, by Metro, 1998**



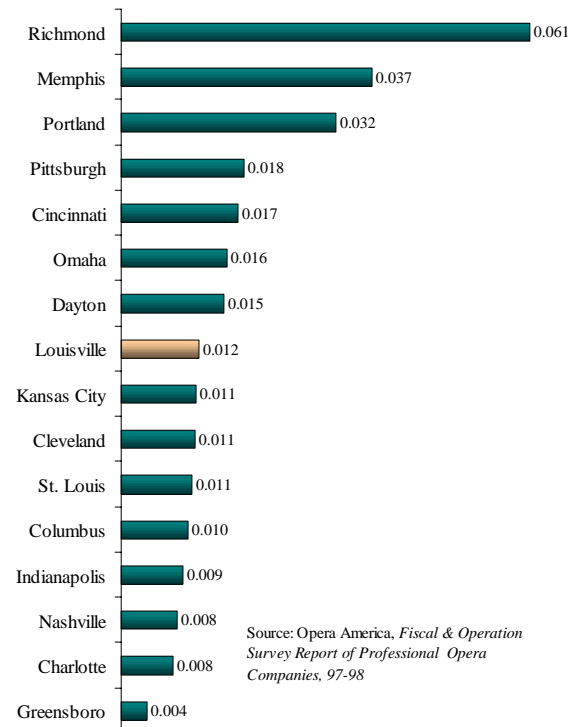
**Total Expenses of the Opera Companies, by Metro, 1998**



**Mainstage Attendance at the Opera Companies, by Metro, 1998**



**per capita Mainstage Attendance at Operas by Metro, 1998**



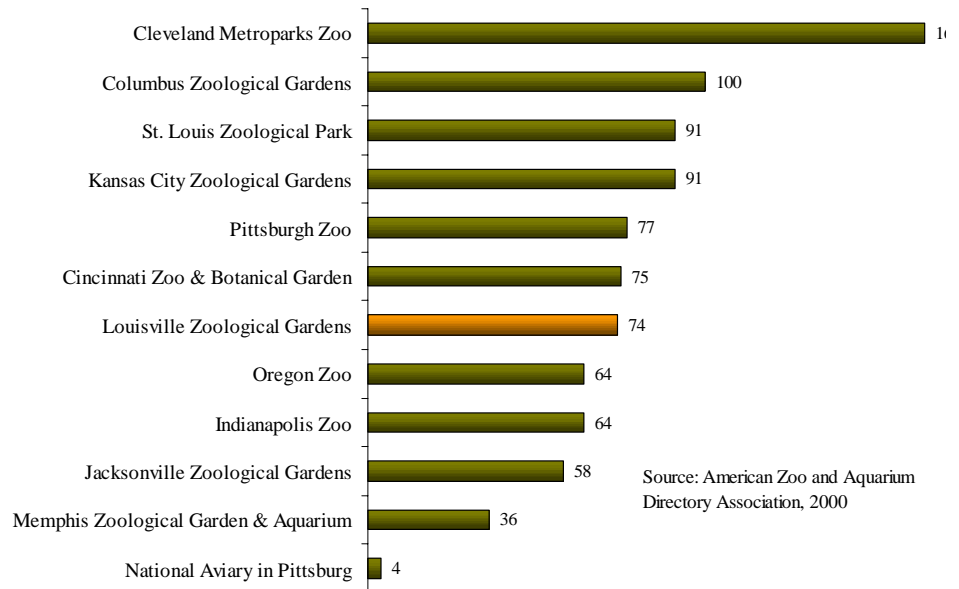
Closer to home, the Cincinnati Opera had a main stage attendance over 28,000 and the Indianapolis Opera over 14,000. However Louisville ranked higher than Nashville which had an attendance around 10,000. The Kentucky Opera had expenses over \$2 million and was ranked 8<sup>th</sup> in this category.

However this was well below attendance at the Indianapolis Zoo (930,000 visitors) and the Cincinnati Zoo (1.3 million visitors). Louisville ranked fourth highest in attendance per capita.

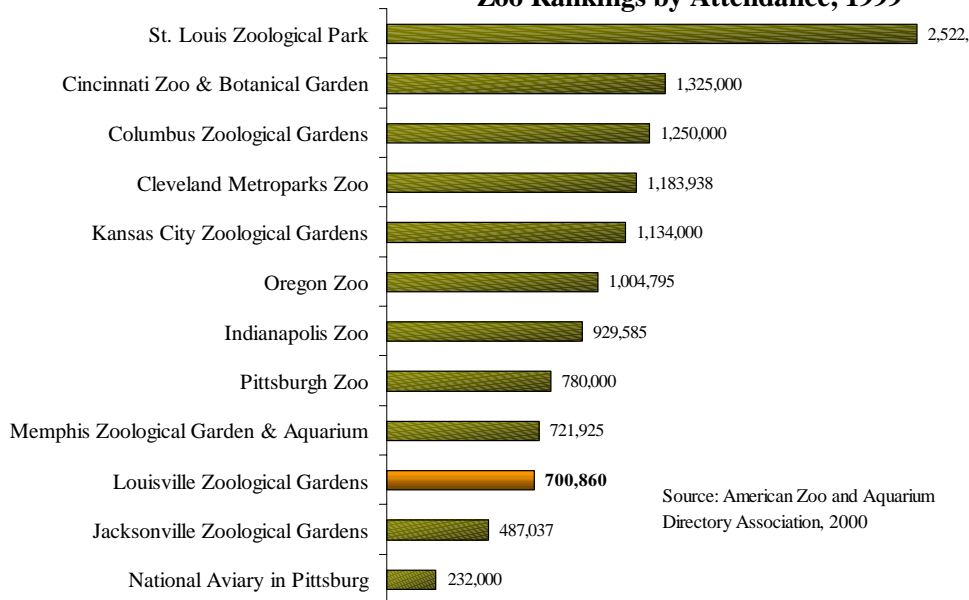
#### 4. Nature Attractions

Eleven of the comparison markets have zoos listed in the *American Zoo and Aquarium Directory Association, 2000*. The directory provides rich data on acreage, attendance, and budgets for each market. We summarize the information using five charts. The Louisville Zoo attracted over 700,000 visitors in 1999. This was close to the number of visitors at the Memphis Zoological Garden and Aquarium.

Developed Acreage at Zoos, by Metro, 1999

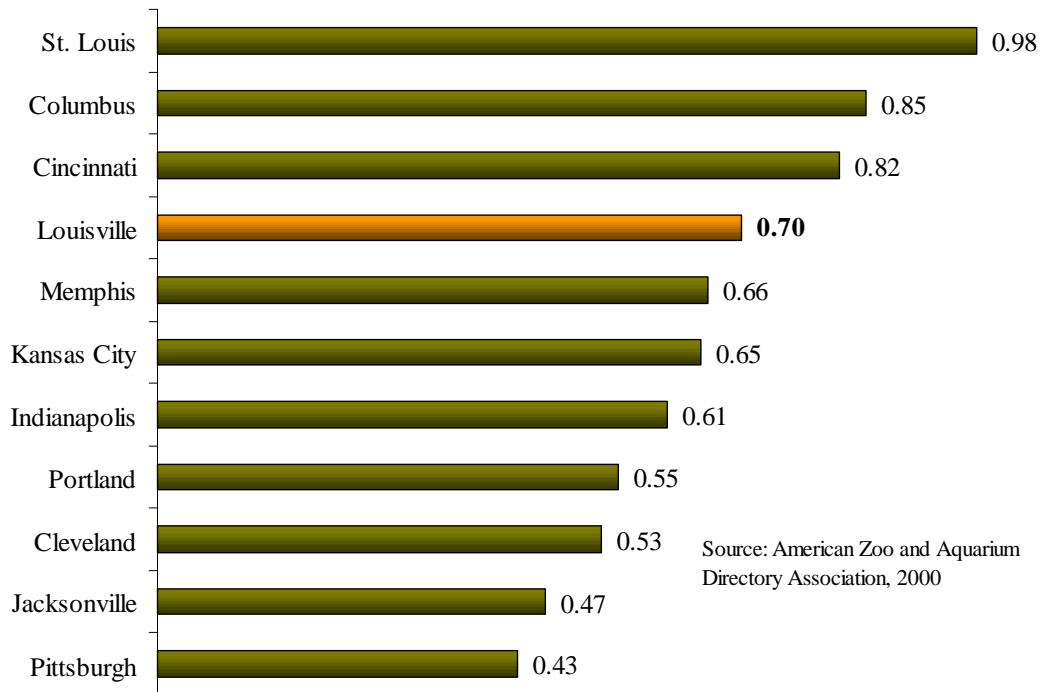


Zoo Rankings by Attendance, 1999

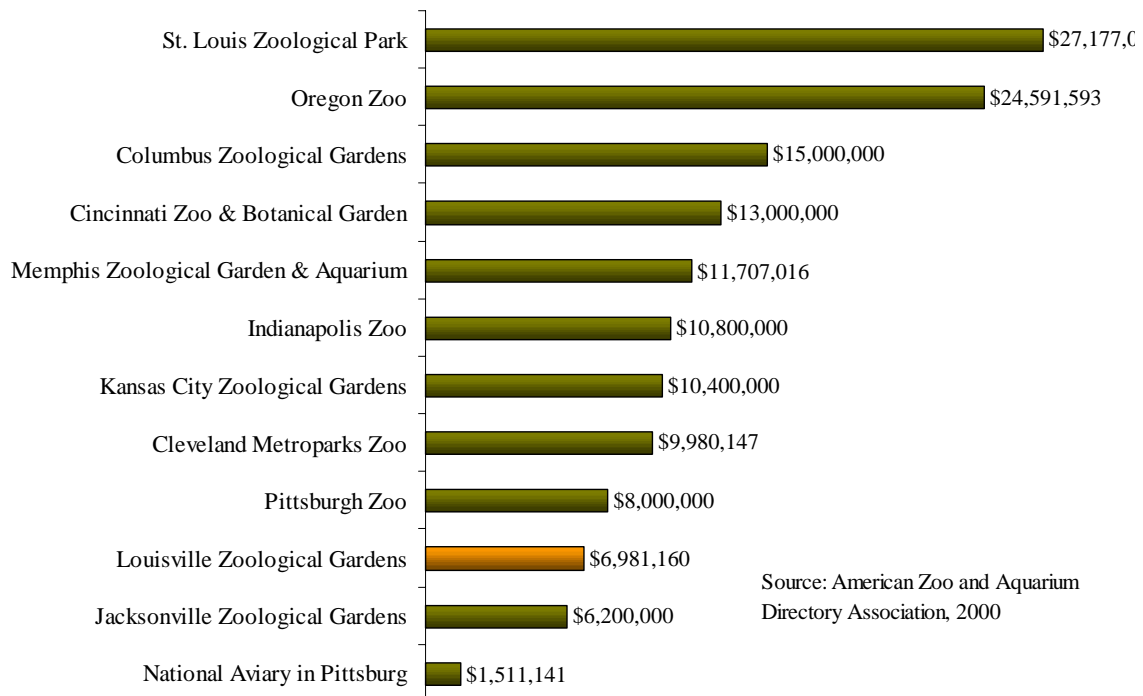




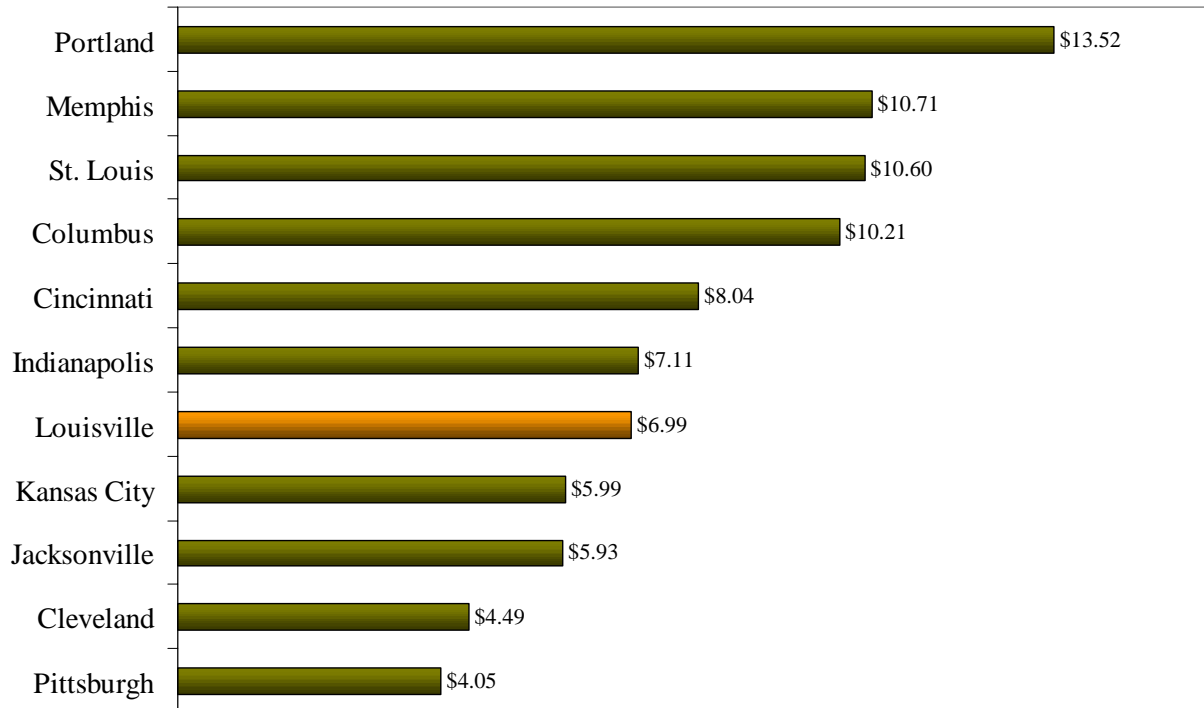
### Zoo Ranking by Per Capita Attendance, 1999



### Zoo Ranking by Budget Size, 1999



### Per Capita Budget of Zoos, by Metro, 1999



Source: American Zoo and Aquarium Directory Association, 2000

### 5. Public Libraries

Thanks to the availability of extensive data, we were able to make many comparisons of Louisville’s public libraries to those in other markets. We obtained data on public libraries from two sources, and each helps to tell a slightly different story. Overall, Louisville’s public libraries fall in the lower third of the per capita rankings of books, circulation, budgets, and employment.

The only comprehensive data on metro markets we could find was from *Places Rated Almanac, 2000*. The publication lists the number of library systems, branches, books, and circulation (the number of material checked out) for all twenty-one of the comparison metro markets of interest. While the federal government compiles such data on all public library systems in the United States, they do not compile statistics below the state level. Apparently, the *Places Rated* authors were able to obtain the raw data for all jurisdictions and aggregate the data for each metro area in the US. It is not clear to what year the data refer, however.

According to *Places Rated*, there are eight public library systems, with 28 branches, in the seven-county Louisville MSA. These libraries held 1.64 million books and supported an annual circulation of 4.96 million books. Dividing circulation by each market’s 1998 population, we obtained the per capita ranking on the right. Louisville’s public libraries rank fifteenth out of the twenty-one markets in per capita circulation.

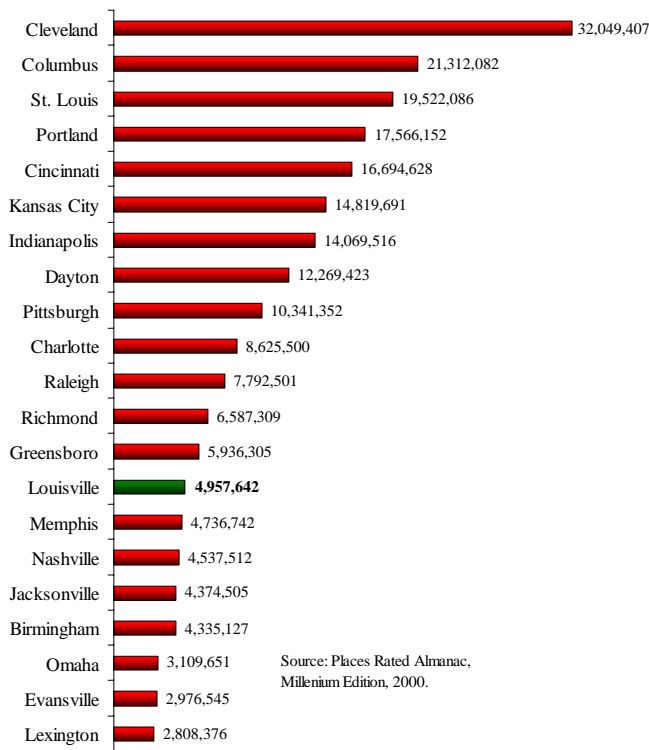
There is somewhat of a north-south pattern to the library circulation statistics, with southern markets generally ranking low. However, on a per capita circulation basis, Pittsburgh ranks lower and Lexington ranks higher than Louisville.

We were able to obtain statistics on some individual library systems. For example, good data is available on large public library systems from the *Statistical Report 99*, Public Library Data Service. We compiled and organized information on the systems in the central county of each market. In a few cases,

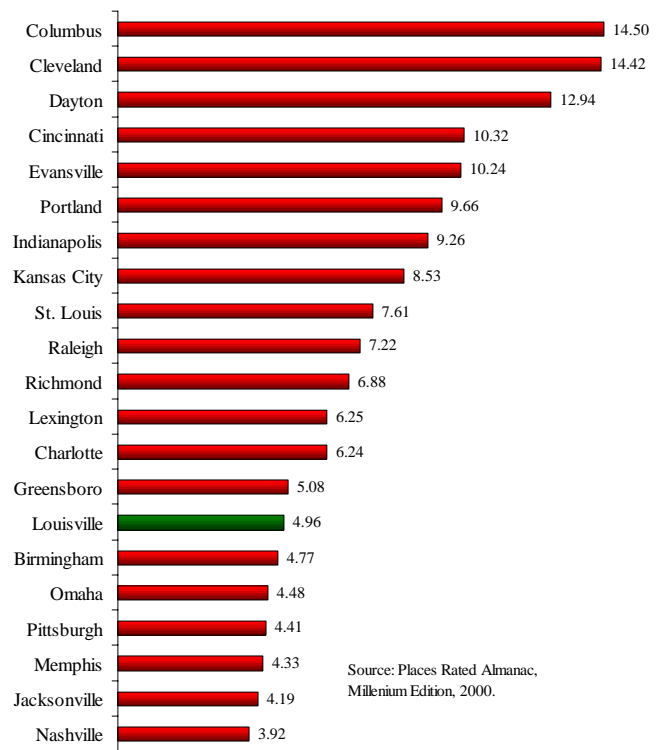




**Total Public Library Circulation, by Metro, 1999**



**Per Capita Circulation, Public Libraries by Metro**

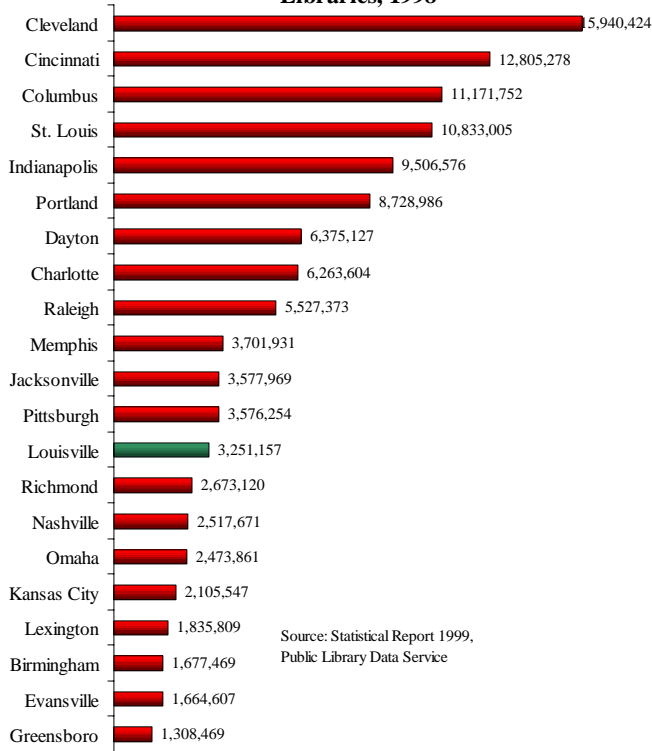


like St. Louis and Cleveland, the central county supports both a central city and a county library system. In those cases, we combined the data from the city and county systems to arrive at a county total.

The pattern in the central county comparisons, displayed on the facing page, is similar to that for the metro data displayed above. Louisville ranks about two-thirds of the way down the rankings of circulation and operating income, both on an absolute and a per capita basis. Again, the north-south pattern is evident in the circulation data - all the counties below Jefferson County in per capita circulation are to the south of Louisville.

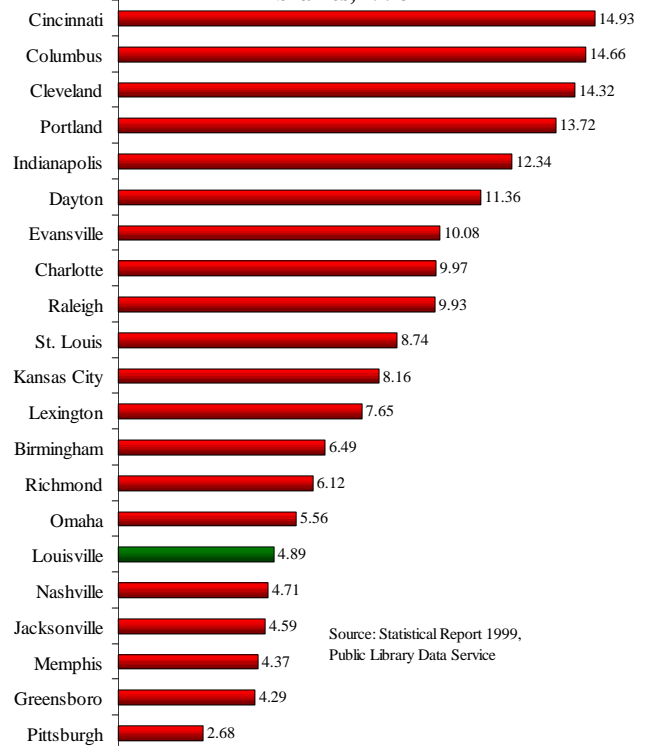
The revenues deployed annually in these central county library systems range from over \$90 million in Cleveland to but \$6 million in Greensboro. Louisville's system has annual revenues of about \$12.5 million, thirteenth highest out of the twenty-one central county systems. Louisville ranks lower on a per capita basis, since its central county is more populated than all but eight others.

### Total Circulation of Central County Public Libraries, 1998



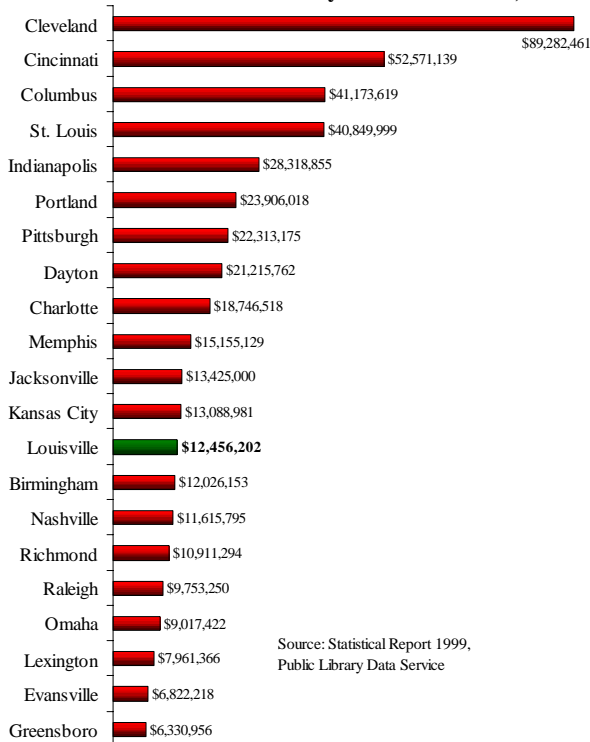
Source: Statistical Report 1999, Public Library Data Service

### Per Capita Circulation of Central County Public Libraries, 1998



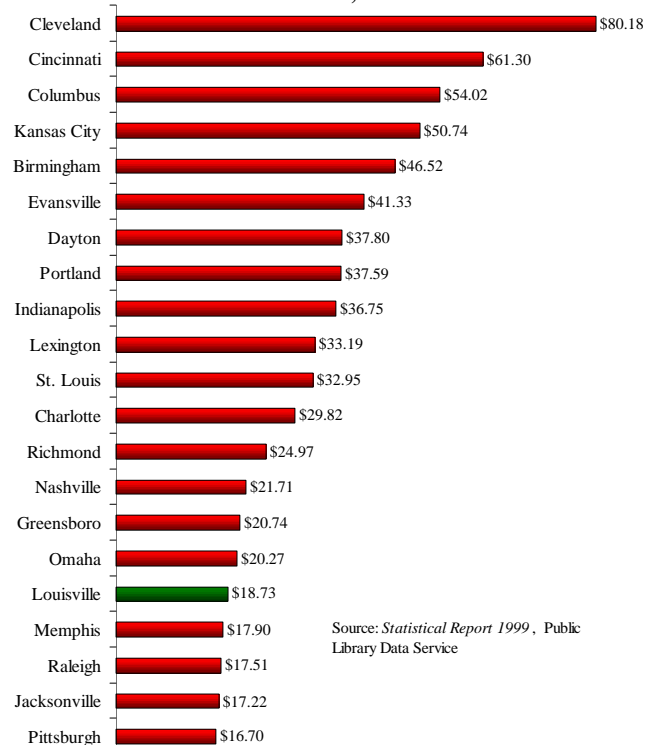
Source: Statistical Report 1999, Public Library Data Service

### Income of Central County Public Libraries, 1998



Source: Statistical Report 1999, Public Library Data Service

### Per Capita Income of Central County Public Libraries, 1998



Source: Statistical Report 1999, Public Library Data Service



**Presence of Arts and Cultural Attractions**

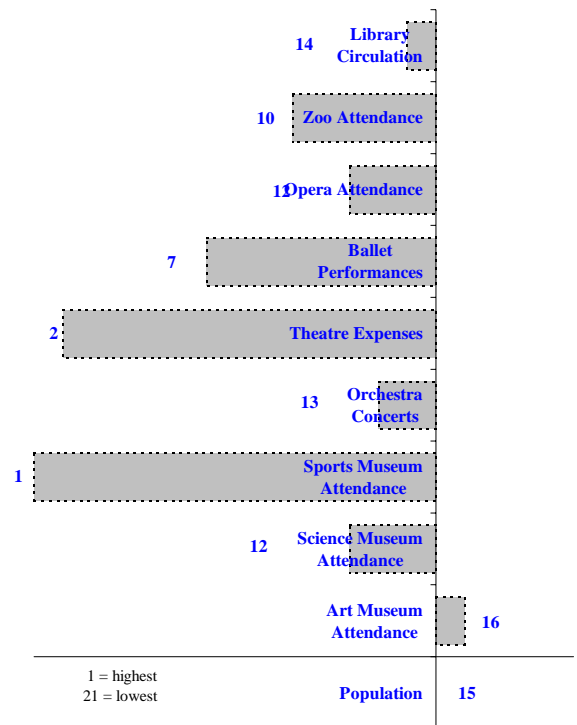
Metro Area	Population 1998	Art					Zoo	Science Museum - Children's
		Opera	Orchestra	Theatre	Museum	Ballet		Center
St. Louis	2,563,801	*	*	*	*	*	*	*
Pittsburgh	2,346,153	*	*	*	*	*	*	*
Cleveland	2,222,731	*	*	*	*	*	*	*
Portland	1,818,955	*	*	*	*	*	*	*
Kansas City	1,737,025	*	*	*	*	*	*	*
Cincinnati	1,617,836	*	*	*	*	*	*	*
Indianapolis	1,519,194	*	*	*	*	*	*	*
Columbus	1,469,604	*	*	*	*	*	*	*
Charlotte	1,383,080	*	*		*			*
Greensboro	1,167,629	*	*					*
Nashville	1,156,225	*	*	*	*			*
Memphis	1,093,427	*	*	*	*	*	*	*
Raleigh	1,079,873		*		*			*
Jacksonville	1,044,684		*		*	*	*	*
Louisville	999,267	*	*	*	*	*	*	*
Richmond	957,032	*		*	*			*
Dayton	948,522	*	*	*	*			*
Birmingham	908,508		*	*	*	*		*
Omaha	693,900	*	*		*	*		*
Lexington	449,645		*			*		
Evansville	290,757							*

**6. Summary of Market Comparisons**

It is widely held around Louisville that we are an “arts town”, that we have more and better arts and cultural opportunities than one would expect for a market of our size. This study validates that self-image, at least as far as the scope of arts offerings in our market. And, except for art museum attendance, our market ranks higher in activity measures than we do in population size.

The table above summarizes our findings about the presence of various arts and cultural organizations in each comparison market, ranked by population size. Note the Louisville has a wider array of offerings than any market smaller than Columbus, a market fifty percent larger. (All markets have public libraries, and therefore that information was not displayed.)

**Louisville's Ranking  
Among Twenty-one Comparison Markets**



## References

The information in the table suggests that ballet, zoos, and theatre are the key distinguishing activities. Several communities that are larger than Louisville do not have these assets. Nearly all of the comparison markets have an orchestra, an art museum, and a science/children's museum.

*American Zoo and Aquarium Directory Association, 2000*, by American Zoo and Aquarium Association.

*Directory of Historical Organizations in the United States and Canada*, Fourteenth Edition, American Association for State and Local History.

*Fiscal & Operation Survey Report of Professional Opera Companies, 97-98*, Opera America.

*International Conference of Symphony and Opera Musicians Directory 1999-2000*.

*Musical America Directory Issue 1999*, Great Barrington, Mass., Billboard Publications.

*The Official Museum Directory 2000*, American Association of Museums, 30th edition.

Population estimates by US Census Bureau, United States Department of Commerce.

*Statistical Report '99*, Public Library Data Service, a division of the American Library Association.

*Statistical Report of Kentucky Public Libraries 1997-98*, Department of Libraries and Archives an agency of the Education, Arts & Humanities Cabinet.

*Theatre Profiles 1996*, by Theatre Communications Group.

US Personal Consumption Expenditures, US Bureau of Economic Analysis, United States Department of Commerce.

*Yearbook of Science Center Statistics 1998*, Association of Science –Technology Centers Incorporated.



# Appendix A

## Arts and Cultural Attractions Organizations

### Museums

American Printing House for the Blind	1839 Frankfort Ave	Louisville, KY 40206	aph.org
Carnegie Center for Art & History	201 East Spring Street	New Albany, IN 47150	
Howard Steamboat Museum	1101 E. Market Street	Jeffersonville, IN 47130	
Kentucky Derby Museum	704 Central Avenue	Louisville, KY 40208	derbymuseum.org
Kentucky Railway Museum	P.O Box 240	New Haven, KY 40051	
Louisville Science Center	727 West Main Street	Louisville, KY 40202	LouisvilleScience.org
Louisville Slugger Museum	800 West Main Street	Louisville, KY 40202	slugger.com/museu
Louisville Visual Art Association	3005 River Road	Louisville, KY 40207	louisvillevisualart.org
Portland Museum	2308 Portland Avenue	Louisville, KY 40212	goportland.org
Speed Art Museum	2035 South Third Street	Louisville, KY 40208	speedmuseum.org

### Performing Arts

Actors Theatre	316 West Main Street	Louisville, KY 40202	actorstheatre.org
Blue Apple Players	P. O Box 4261	Louisville, KY 40204	blueappleplayers.org
Comedy Caravan	1250 Bardstown Road	Louisville, KY 40204	
Derby Dinner Playhouse	525 Mariott Drive	Clarksville, IN 47129	
Fund for the Arts	623 West Main Street	Louisville, KY 40202	artspage.org
Kentucky Center for the Arts	501 West Main Street	Louisville, Ky 40202	kca.org
Kentucky Shakespeare Festival	1114 South 3rd Street	Louisville, KY 40203	kyshakes.org
Louisville Ballet	316 East Main Street	Louisville, KY 40202	
Kentucky Opera (KCA)	101 South 8th Street	Louisville, KY 40202	
Louisville Orchestra	300 West Main Street	Louisville, KY 40202	louisvilleorchestra.org
Music Theatre Louisville (amphitheatre)	624 West Main Street	Louisville, KY 40202	artspage.org
Palace Theatre	629 South Fourth Street	Louisville, Ky 40202	louisvillepalace.com
PNC Bank Broadway Series	611 West Main Street	Louisville, Ky 40202	artspage.org/broadway
Stage One	501 West Main Street	Louisville, Ky 40202	
The Louisville Chorus	6303 Fern Valley Pass	Louisville, KY 40228	fastzone.com/chorus
Walden Theatre	1123 Payne Street	Louisville, KY 40204	waldentheatre.org

### Heritage Sites

Cathedral Heritage Foundation	429 W. Muhammad Ali Blvd	Louisville, KY 40202	cathedral-heritage.org
Farmington Historic Home	3033 Bardstown Road	Louisville, KY 40205	
Filson Club	1310 South Third Street	Louisville, KY 40208	filsonclub.org
Locust Grove	561 Blankenbaker Lane	Louisville, KY 40207	locustgrove.org
Riverside, The Farnsley-Moreman Landing	7410 Moreman Road	Louisville, KY 40272	co.jefferson.ky.us/AttractionsRiverside
Thomas Edison House	729 E. Washington Street	Louisville, KY 40202	edisonhouse.org
Whitehall	3110 Lexington Road	Louisville, KY 40206	

### Nature Attractions

Bernheim Arboretum and Research	Highway 245	Clermont, KY 401010	bernheim.org
Falls of the Ohio State Park	P O Box 1327	Jeffersonville, IN 47131	state.in.us/dnr/statepa
Louisville Zoo	1100 Trevilian Way	Louisville, KY 40213	Louisvillezoo.org

### Public Libraries

Bullitt County Public Library	127 North Walnut St.	Shepherdsville, KY 40165	beplib.org
Clark County Public Library	Charlestown & Jeffersonville		Jefferson.lib.in.us
Floyd County	180 West Spring St	New Albany, IN 47150	nafcpl.lib.in.us
Harrison County	105 North Capital Avenue	Croydon, IN 47112	croydonpl.lib.in.us
Louisville Free Public Library	301 York Street	Louisville, KY 40203	lfpl.org
Oldham County Public Library	106 E Jefferson Street	La Grange, KY 40031	ocpl.library.
Scott County	57 West Broadway	Shelbyville, IN 46176	sscpl.lib.in.us/library

## Appendix B

### Sample Questionnaire for Arts and Cultural Attractions Organizations

Organization: The Arts Organization ACA Code: \_\_\_  
 Address: 111 West Main Street SIC: 8412  
 Louisville KY 40000

Contact: Executive Director  
 (O) 625-0000 (F) 625-0001

Web site: www.arts.louisville.org

Reference period: July 1, 1999 to June 30, 2000

#### Services

Visits/attendance annually (paid, unpaid): 250,000  
 Paid visits/attendance annually: 100,000

#### Workforce and Payrolls

##### **Employees of this organization**

Average monthly full-time employment:	25
Average monthly part-time employment:	40
Estimate of FTE of part-time:	10
Total annual payroll, excluding benefits:	\$500,000
Annual employee benefits*:	\$60,000
Number of volunteers annually:	30
Annual volunteer hours:	2,000
<u>Contract labor costs</u>	\$40,000

#### Budget

Revenues from admissions/ticket sales:	\$450,000	Expenditures for materials **:	\$40,000
Revenues from concessions:	\$40,000	Expenditures for services***:	\$75,000
Other revenues from sales:	\$10,000	Expenditures for real estate:	\$100,000
Revenues from grants, government:	\$65,000	(rent, lease, mortgage,	
Revenues from grants and contributions,		for performance space, office)	
private sector:	\$95,000		
Revenues from investments:	\$70,000		
Other revenues:	\$120,000	Other expenditures:	\$35,000
<b>Total annual revenues:</b>	<b>\$850,000</b>	<b>Total expenditures, including labor:</b>	<b>\$850,000</b>

Insured value of real estate, equipment: \$2,000,000  
 Value of financial assets (portfolio, as of 12/31/99): \$3,000,000  
 Square feet of office space utilized: 1,500

\* paid by organization for employees, including FICA, unemployment insurance, health insurance, retirement benefits.

\*\* materials, supplies, equipment

\*\*\* telecommunications, electricity, water, sewage, advertising, public relations, insurance, legal, security, consulting, membership dues, catering, floral, electricians, plumbers,....