Advancing the Business of Culture.

Museums, zoos and theaters are businesses. They employ dancers, musicians, craftspeople, auditors, consultants and maintenance workers. They improve our quality of life and entertain, but also spend money, create jobs and offer educational opportunities for all. They are valuable and indispensable.

The numbers illustrate that culture has a significant impact on the economy as well as an important role to play in our community. Each of us contributes by participating, promoting, learning, supporting, attending, volunteering, donating and spreading the word.

Please continue to do what you already do…and more…!

Thank you to our generous sponsors:

2008 Economic Activity Study of Metro Denver Culture

The business of culture.
The Business of Culture.

People may consider theaters, museums and other arts, cultural and scientific nonprofits to be “organizations” or “institutions.” But in actuality, they are businesses. They employ operations and marketing professionals, accountants, managers, executives and the like in addition to artists. As is the case with any business, those in the business of culture also exchange goods and services for money—a significant amount of money—which goes into the economy to everyone’s benefit.

The Colorado Business Committee for the Arts understands the economic value culture brings to metro Denver. For 18 years, CBCA and Deloitte have published biennial Economic Activity Study results because we know that the arts are important to business and economic development in addition to the quality of life in our community.

The 2008 CBCA Economic Activity Study of Metro Denver Culture reflects information collected in 2007 from 93% of the nonprofits funded by Scientific Cultural Facilities District (SCFD) across the seven-county area including Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas and Jefferson counties. The data was analyzed by Deloitte Consulting LLP and DualDraw LLC.

Over the years, the economic benefit of arts and culture has increased dramatically, as you will see. In fact, in 2002, the total economic activity attributable to culture reached nearly two billion dollars. That’s right, nine zeros. The arts are doing very serious business.

Since 1985, Colorado Business Committee for the Arts has been a catalyst for Colorado’s business community to leverage the arts for greater economic vitality. CBCA is a member organization of over 125 companies and individuals that are committed to the arts and recognize the link between cultural vitality and business success. Please visit www.cbca.org for more information.

Total economic activity related to culture: $1,691,000,000.
Total economic activity is the sum of direct and indirect economic activity.

Direct activity combines operating and capital expenses with money spent by audiences.

Indirect activity is determined by applying multipliers** to direct activity that calculate local spending stimulated by the cultural nonprofits themselves and their patrons. Examples include rent, services and office supplies on the business side and purchases of food, retail goods, hotel stays, parking and gasoline on the audience side.

What could you do with $1.7 billion dollars?

- Move into 7,555 Denver homes
- Drive 85,000 new cars off the lot
- Fill up with 485,714,285 gallons of gas
- Take 4.8 million plane trips

What accounts for close to $1.7 billion of cultural economic activity?

- Operating expenditures: $701 million
- Audience spending: $936 million
- Capital expenditures: $53 million
- Total spending numbers: $1.7 billion

- Operating expenditures: $283 million
- Audience spending: $421 million
- Capital expenditures: $22 million
- Direct economic activity: $726 million

- Operating expenditures: $149 million
- Audience spending: $515 million
- Capital expenditures: $31 million
- Indirect economic activity: $965 million

*Capital expenditure is money spent that is expected to have a value longer than one year, such as new construction, major renovation or remodeling and equipment.
**Multipliers are prepared by the U.S. Bureau of Economic Analysis.
In 2007, the reporting SCFD organizations employed a total of 8,244 people. To put this into context, in 2007 the Beverage Production industry employed 5,532 people in the 7-county area and the Information Technology Hardware industry accounted for 7,819 metro area jobs.*

Total 2007 payroll for cultural employees was over $119 million. Although 2007 employee numbers dropped 23%, the average salary of full-time, part-time and contracted employees increased 65% over 2005.

Cultural tourism as statistically defined here is the impact of visitors from outside the metro area on both operating expenditures and event related spending.

Arts, cultural and scientific attractions help draw visitors, companies and money from outside the region into our geographic area. This “new money” — money that normally would not be spent in the metro area — equates to $392 million of economic impact in 2007.

The combined payroll, seat and sales taxes for 2007 that arts, cultural and scientific nonprofits paid were $21.3 million, up 31% over 2005.

*Metro Denver Economic Development Corporation and Development Research Partners 2007 Key Industry Study
Every business needs to keep operating expenses in line. Volunteers help cultural and scientific organizations do just that. In 2007, nearly 40,000 people contributed their time and talent—the equivalent of 717 full-time employees. This high level of volunteerism demonstrates community engagement in the arts.

The arts are part of everyday life here for people of all ages and backgrounds. Cultural and scientific organizations enjoyed over 16.4 million total visits in 2007 (17% more than in 2005). This equates to six arts events per resident of the 7-county area!*

* 2007 U.S. Census Bureau
Culture means business – and education.

In 2005, there were over 1.7 million contacts* between arts, cultural and scientific nonprofits and school children. Given that there were nearly 433,000** metro area school children, that would be equivalent to 4 contacts per student. Impressive. Yet, in just two years, that number nearly doubled to 3.47 million contacts.

In addition, in 2007, over 1.1 million residents – the equivalent of half of the metropolitan area’s population – attended educational classes at arts and cultural institutions (a 44% increase over 2005).

In 2005, there were nearly 61,600 school children contacts. In 2007, that number increased to 1.1 million.

CBCA’s numbers support this. From 1997 through 2007, total cultural economic activity increased 105% relative to the 78% increase in Colorado’s gross domestic product.* While the Denver metro area experienced a 15% increase in overall employment,** jobs attributable to arts, cultural and scientific nonprofits increased 76% with a corresponding 49% increase in payroll following. Access and exposure to arts for school children increased 104% over 10 years, though the number of children increased about 20%.*** Total community attendance at events over the period more than doubled. Stunning.

What a difference 10 years makes!

So much has changed in the metro arts scene in the past 10 years! There has been the creation of many diverse theater, dance, choral and music companies, the springing up of unique neighborhood art districts and the preservation of local history. In 2004, voters reauthorized the SCFD. Denver has seen the renovation of the Ellie Caulkins Opera House and the opening of Wildlife Experience, Denver Art Museum’s Frederic C. Hamilton building, the Bradford Washburn American Mountaineering Museum, Shadow Theatre Company and the Museum of Contemporary Art | Denver, just to name a few examples.

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*Contacts are defined as the total number of students participating in a program or event.
**Colorado Department of Education
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*U.S. Bureau of Economic Analysis
**Metro Denver Economic Development Corporation
***Colorado Department of Education