

For a Resilient US Theater—Report and Recommendations

Barbara Fuchs and Rhonda Sharrah, UCLA

February 12, 2024

*This report is part of **Pandemic Preparedness in the Live Performing Arts**, a comparative transnational study on the resilience of theater post-Covid funded by the British Academy. Between April 2023 and January 2024, a UK-led research team with Co-Investigators in the USA, Canada, and Germany and Research Associates in France, Italy, and Japan examined the lessons learned from the responses of the live performing arts sector and governments to COVID-19 in the G7 countries. The aim was to support sector preparedness for future crises, whether caused by new pandemics, climate-related disasters, demographic changes, economic pressures or the impacts on the live performing arts of national and international politics.*

Aims, objectives, methods:

The US report offers insights discovered through a literature review and subsequent consultative meetings with stakeholders across the US, with a particular focus on California and New York City. Given relatively little formal research on the sector in the US, we have collected available studies from government agencies and service organizations, as well as from SMU's DataArts program. Much of the data covers 2021 and 2022, with less information thus far on how theatermakers are faring as the pandemic recedes and the exceptional government support afforded during that period comes to an end. Our research is thus supplemented with specialized journalism and extensive interviews with stakeholders. Beyond our lived-experience panelists—Jesse Berger of Red Bull Theater in New York and Jon Rivera of Playwrights' Arena in Los Angeles—we identified and interviewed a range of stakeholders who participated directly in crucial events during COVID, and who continue to be centrally involved in funding and advocacy decisions. Recently, there has been in the specialized press and among various stakeholders an intensifying chorus of concern over the state of theater in the US; our goal is to understand what has been learned over the past few years so as to support the sector at a particularly difficult moment.

Pre-pandemic context and background:

The theater landscape in the US includes commercial theater (NYC's Broadway houses and their touring productions, plus a small number of other productions), a tier of 79 "resident theaters" across the country (often referred to as the "LORT" theaters for the association that convenes them, the League of Resident Theatres), and hundreds of smaller non-profit companies across the country. While this report focuses on the not-for-profit sector, it is important to note the permeability of the "commercial" and "not-for-profit" designations: work often emerges from the non-profit world, is "enhanced" with funds from commercial producers and makes money on Broadway. Broadway productions on tour around the US are then hosted by theaters or performing

arts centers that often use those profits to subsidize their other offerings. Some companies also operate with a dual status, to enable them to take on for-profit work for some projects while applying for grants for others.

Before the pandemic, the non-profit theater sector was already facing an uncertain future. The subscription model, which had enabled companies to bank their box office proceeds in advance and count on an audience's repeated attendance, was already in decline, and most companies covered only about 50% of their costs with ticket sales. It was also becoming increasingly difficult to make up the difference between box office revenue and operating/production costs. Support from the federal government had been significantly reduced in the wake of the culture wars of the late 1980s and 1990s, with companies increasingly forced to turn to state, city, and local government for support instead, with mixed success. The overall lack of public funding for the arts in the US was mitigated for decades by philanthropic support (corporate donors, large foundations, individuals). Yet long-term trends included the gradual erosion of support from the corporate sector, which several interviewees described as increasingly transactional and focused on its bottom line. By 2020, just a handful of national foundations funded theater, and they often changed priorities as their leadership changed. A Los Angeles Times piece characterizes donors now as "hesitant, recession-wary".¹ Additionally, the sector was already facing a landscape of increasing labor costs and demands for improved working conditions.² Already under-capitalized, the sector entered the pandemic from a precarious economic position, which improved somewhat with increased government support and lower expenses as the pandemic began.³

Additional challenges include the dearth of arts journalism, to cover and promote productions, and the association of theater with other forms of high culture, often perceived as elitist and old-fashioned.

Policy and industry response during the pandemic:

On March 13, 2020, Broadway shut down—the first time in its history that this had occurred. Across the US, theaters cancelled productions and began to lay off staff, as they gradually realized that prolonged prohibitions against gathering indoors would make it impossible for them to reopen. In fact, the impacts would be enormous: through September 2021, "The total loss to the performing arts industry attributable to the pandemic [was] over \$3.2 billion, and changing COVID-related

¹ Gelt, J. (17 June 2023), 'Shocking closure at L.A.'s Mark Taper Forum reflects a crisis at regional theaters nationwide', *Los Angeles Times*, <https://www.latimes.com/entertainment-arts/story/2023-06-17/center-theatre-group-closing-mark-taper-forum-public-dallas-theater>

² Hirschman, B. (21 June 2023), 'The Big Crunch: Theatre's Labor and Materials Crisis', *American Theatre*, <https://www.americantheatre.org/2023/06/21/the-big-crunch-theatres-labor-and-materials-crisis>

³ Fonner, D., Giraud Voss, Z., Voss, G. et al. (November 2021), 'Theatre Facts 2020', *Theatre Communications Group/SMU DataArts*, <https://tcg.org/Web/Our-Work/Research/Theatre-Facts.aspx>

behavioral patterns decreased audience ticket demand by 20-25%.” There was an 88% drop in ticket revenue from 2020 to 2021 alone.⁴

This period saw an unprecedented turn to the federal government for assistance. Previously, “across all budget groups, local government sources of contributed income outpaced state sources, which outpaced federal sources,” while foundations, trustees, and individual donors were the largest contributors.⁵ During the pandemic, foundation support increased, as funders tried to offer a lifeline to grant recipients by postponing deadlines, waiving requirements, etc.⁶ These emergency grants even offered general operating support, which had previously become extremely rare. While government grants aimed for a similar flexibility, the most significant difference was in the role played by the federal government under exceptional circumstances.⁷

As the federal government began rolling out programs to address the acute economic crisis, theaters grappled with the complexities of applying for support imagined primarily for businesses. The Performing Arts Alliance (a coalition of performing arts advocates) worked to ensure that non-profits could apply for the Paycheck Protection Program (PPP) loans offered by the Small Business Administration (SBA).⁸ Designed to prevent mass firings, these loans would be forgiven if organizations could prove that they had been used on payroll costs, as most eventually were. The most important legislation to prop up the sector was the Shuttered Venue Operators Grant,⁹ operated by the SBA, which offered an unprecedented \$16B, while focusing on businesses rather than artists. Crucially, securing the extension of this urgent legislation to the non-profit sector and its eventual passage required leaders to come together and pursue specific lobbying. One-time gifts from various foundations enabled the hiring of a lobbyist, who in turn helped get the legislation passed.¹⁰

Over the course of the pandemic, 97% of theaters surveyed by Theatre Communications Group (TCG) received some form of federal assistance.¹¹

⁴ Fonner, D., Giraud Voss, Z., Voss, G. et al. (December 2022), ‘Theatre Facts 2021’, *Theatre Communications Group/SMU DataArts*, <https://tcg.org/Web/Our-Work/Research/Theatre-Facts.aspx>

⁵ Theatre Facts 2020.

⁶ Interview: Ben Cameron.

⁷ Stubbs, R., Rhoads, M. & Rhee, N. (February 2022), ‘Public Funding for the Arts 2021’, *Grantmakers in the Arts & National Assembly of State Arts Agencies*, <https://www.giarts.org/sites/default/files/2022-arts-funding-snapshot.pdf>

⁸ Interview: Laurie Baskin, TCG.

⁹ U.S. Small Business Administration, ‘Shuttered Venue Operators Grant’, <https://www.sba.gov/funding-programs/loans/covid-19-relief-options/shuttered-venue-operators-grant>

¹⁰ Interview: Laurie Baskin, TCG; Danny Feldman, Pasadena Playhouse.

¹¹ Theatre Communications Group (2022), ‘Budgeting for Uncertainty: Snapshot Survey’, https://docs.google.com/document/d/1IboI_JXjA5Epk8nHoOnhuetxRI8BQDFe1B29reL1mHQ/e/dit?usp=sharing

Meanwhile, theaters experimented with other modes of reaching their audiences. New York’s **Red Bull Theater**, a small off-Broadway company specializing in Jacobean plays, was a pioneer in the streaming arena, moving quickly to take their habitual staged readings online. Yet they were forced to cancel their first planned livestreamed reading in March 2020 due to challenges from Actors’ Equity, the US union for live theater actors and stage managers. The company did not consider a livestreamed Zoom reading to fall under the purview of a contract that covered in-person performances at their off-Broadway theater, but the actor’s union disagreed. Until a new framework could be established for this hybrid work—live but streamed, or recorded live and then streamed—actors could not return to work, no matter how desperate their situation. Meanwhile, in Los Angeles, **Playwrights’ Arena** opted instead for producing distanced, rather than digital, work, with a performance of a drive-in devised piece, *March*, in an underground parking garage, to be experienced by audiences from inside their cars, with sound transmitted over the car radios. As reopenings became possible, producers hired “COVID safety officers,” mandated by the unions, to oversee the many measures required.

Questions of theater’s commitments and accessibility became newly urgent with the protests for racial justice after the murder of George Floyd in May 2020. A prominent collective of BIPOC artists issued an urgent challenge to rethink how the industry operates in the US: the *We See You White American Theater* (WSYWAT) manifesto [<https://www.weseeyouwat.com/>], soon signed by hundreds of allies, called for a decisive response to long-term inequities, demanding a “new social contract” with respect to cultural competencies, working conditions and hiring practices, artistic and curatorial practices, compensation and funding, accountability and transparency, training programs, and more.

In tandem with the urgent demands of WSYWAT, theater’s move online led companies to rethink access for audiences. If traditional in-person attendance depended on potential audience members’ resources, mobility, proximity to and comfort with the physical theater or performance spaces, and a host of other factors, streamed/digital theater could provide a welcome alternative, or at least an expanded mode for reaching audiences. During the pandemic, theater directors often expressed a desire to return to in-person performance yet preserve digital access for audiences unable or unwilling to go the theater.¹²

In April 2021, 65% of audiences polled reported expecting to prefer in-person to digital once it was possible again. For digital experiences, respondents found free access, access to organizations/artists in other places, and a social component to be important. Prerecorded performances and livestream performances were equally popular.¹³ Comparing arts participation online in 2022 to the first year of the pandemic, 82% of respondents participated in an arts event online in 2022, with 70% accessing archived performing arts events and 43% watching livestreamed performing arts events. Younger adults engaged more with digital arts (95% of 18–24-year-olds, compared to 68% aged 75 or older). Non-white respondents engaged with digital

¹² Fuchs, B. (2021), *Theater of Lockdown: Digital and Distanced Performance in a Time of Pandemic* (London and New York, Bloomsbury/Methuen Drama).

¹³ Slover Linett/LaPlaca Cohen (November 2021), ‘Culture Track Study Wave 2: Culture + Community in a Time of Transformation’, <https://s28475.pcdn.co/wp-content/uploads/2021/11/CCTT-Key-Findings-from-Wave-2.pdf>

arts more than white respondents, especially Black/African American (91%), while non-Hispanic white respondents were more likely to attend in-person performing arts events (52%) than other groups. 29% of respondents reported engaging in digital arts more often than in the first year of the pandemic, 53% for livestreamed performing arts events either more often or at the same rate, and 62% for archived livestreamed events more often or at the same rate.¹⁴

Respondents were more likely to feel arts organizations were important a year into the pandemic—especially BIPOC communities. However, this was also coupled with a strong call for arts organizations to change to become more relevant to more people. Most respondents felt arts organizations have a responsibility to tackle social issues, with systemic racism being the top priority.¹⁵

Post-Pandemic:

The not-for-profit US theater finds itself in a deep and long-term crisis, exacerbated and accelerated by the pandemic though not entirely caused by it. Though the US economy has by most measures recovered, theater is not back to pre-pandemic numbers, with non-profit theaters averaging **half** as many performances and productions in 2022 as in 2018.¹⁶ Total ticket income in 2022 was 55% lower than in 2018.¹⁷ In a 2023 survey conducted by TCG, with 171 theaters responding across the US “Fifty-five percent of responding theatres had budgeted for a deficit in FY24, a small decrease from the 62% projected in FY23 ... but still significantly higher than FY22 (30%) and FY21 (10%).” 27.9% of the respondents described their organizations as “struggling,” with an additional 1.7% choosing “not sure we’ll make it.” Even those who describe themselves as “holding steady” are worried about what will happen next season, and anticipate cutting productions costs as their response (48% did so in 2022-23). Rising labor and material costs compound the challenge of audiences’ failure to return fully.¹⁸ Exceptional pandemic subsidies are still keeping theaters in the black, but “the surpluses were temporary and may have concealed the sector’s fragility.” Meanwhile, contributed income makes up an increasingly large part of non-profit theaters’ budget: “In 2022, contributed revenue hit a five-year high and earned hit a five-year low.”¹⁹

¹⁴ National Endowment for the Arts (December 2023), ‘Online Audiences for Arts Programming: A Survey of Virtual Participation Amid COVID-19’, <https://www.arts.gov/sites/default/files/GSS-Brief-Dec2023-Revision.pdf>

¹⁵ Culture Track Study Wave 2.

¹⁶ Roscoe, R., Benoit-Bryan, J., Fonner, D. et al. (February 2024), ‘Theatre Facts 2022’, *Theatre Communications Group/SMU DataArts*, <https://tcg.org/Web/Our-Work/Research/Theatre-Facts.aspx>

¹⁷ Theatre Facts 2022, 11.

¹⁸ Theatre Communications Group (2023), ‘Compounding Crises: Snapshot Survey’, https://docs.google.com/document/d/1LRAd_UYq22DXscK4LurLftV5PC57dHhoIB-8Pxvr3Dg/edit?usp=sharing

¹⁹ Theatre Facts 2022, Executive Summary and *passim*. This detailed report is based on earlier data, but released later, than TCG’s ‘Compounding Crises: Snapshot Survey’.

Over the past few months, a number of highly visible theaters, including the **Public Theater** in New York and the **Center Theatre Group** in Los Angeles have announced layoffs and pauses/reductions in programming. Many more companies are offering reduced programming for the 2023-24 season, with fewer/simpler productions staged for shorter periods, as each production costs more than it makes.²⁰ The Off-Broadway League, which convenes a key group of NYC theaters, lists 31 productions running in late October 2023, down from 51 during the same week in 2019, with box office grosses down 41% from the equivalent period pre-pandemic.²¹ There has been a steady drumbeat of smaller companies closing (2-3 per month, per Greg Reiner, the director of theater and musical theater at the National Endowment for the Arts).²² With federal pandemic funding for theaters ending, advocacy for funding is theaters' top priority.²³ Several stakeholders expressed the need for a "longer runway" of federal funding to reach a full recovery.

At the same time, the arts continue to be a major, and undervalued, part of the US economy. In 2021, the arts sector as a whole contributed more than \$1 trillion (4.4%) to U.S. GDP— a new high-water mark and more than any of these sectors: agriculture/forestry/fishing; mining; outdoor recreation; and transportation and warehousing.²⁴ The latest Theatre Facts report calculates that in 2022, 2006 professional not-for-profit theaters contributed \$2.3 billion to the US economy through direct payments for goods and services, in addition to the substantial economic activity generated through their audiences and employees.²⁵

Workforce:

The pandemic revealed just how precarious was labor in the sector. Although federal PPP loans were designed to keep the workforce employed, these were for employees, and did not apply to contract labor. Many theaters were thus able to retain some of their permanent staff, but not compensate the artists whom they had typically brought on board for a specific project. Thus many theatre workers, particularly on the tech side, were forced to find jobs outside the sector and have not come back.²⁶

There is widespread support for improved conditions (higher salaries, reduced rehearsal time, fewer performances per week, supporting a "burnt-out" workforce, full-time employment instead of gig work), yet a simultaneous recognition that this has hugely increased the costs for companies. Rising labor costs were a primary challenge cited in TCG's 2023 Compounding Crises survey. In

²⁰ Paulson, M. (23 July 2023), 'A Crisis in America's Theaters Leaves Prestigious Stages Dark', *New York Times*, <https://www.nytimes.com/2023/07/23/theater/regional-theater-crisis.html>

²¹ Paulson, M. (5 December 2023), 'Off Broadway, a vital part of New York theater, feels the squeeze', *New York Times*, <https://www.nytimes.com/2023/12/05/theater/new-york-theater.html>

²² Lee, A. (28 September 2023), 'American theater is in crisis. Some big names want Congress to help', *Los Angeles Times*, <https://www.latimes.com/entertainment-arts/tv/story/2023-09-28/lin-manuel-miranda-phylicia-rashad-congress-stage-act-professional-non-profit-theater-coalition>

²³ Compounding Crises: Snapshot Survey.

²⁴ National Endowment for the Arts (March 2023), 'The U.S. Arts Economy in 2021: A National Summary Report', <https://www.arts.gov/sites/default/files/National-Brief-final-3-16-23.pdf>

²⁵ Theatre Facts 2022, 9.

²⁶ Hirschman, 'The Big Crunch: Theatre's Labor and Materials Crisis'.

California (one of the two cases we examined more closely) legislators attempted to compensate theater companies for the cost of taking on full-time employees instead of hiring for gigs; however, it was easier to pass the legislation than to fund it.²⁷ Arts service organizations in the state are also working to develop payroll systems that can support non-profits as they face an increasingly complicated regulatory landscape.²⁸ At the same time, advocates for the arts are making their case for state/county/city investment by foregrounding the development and diversification of an arts workforce to match the population of the state.

The Otis College Report on the Creative Economy 2023, focusing on California, explicitly calls for standardized data collection on the state's creative economy generally and its workforce needs specifically.

Organizations:

Pandemic theater closures lasted a long time in the US, yet there were wide disparities among states and cities in terms of when performing arts venues were allowed to reopen, resulting in a kind of natural experiment. Preliminary data seems to suggest that theaters that closed for a shorter period of time are doing better today than those that closed for longer.²⁹ There is also a general perception that those who moved more quickly to establish online connections with audiences and offered more in the way of online programming fared better than those who did not, but this has not yet been studied in detail.

Both of our LEPs, **Red Bull Theater** in New York and **Playwrights' Arena** in Los Angeles, went out of their way to preserve a connection with audiences and funders during the pandemic, as detailed above. Both cite government aid during the pandemic as critical to their survival, but note that all of that aid has now dried up. Both companies cite enormous increases in costs since the pandemic: Red Bull now aims to offer a streaming component for at least some of the work they present, which doubles production costs (camera work, editing, additional compensation for artists). Although Playwrights' Arena is not streaming, they have seen the cost of individual productions increase substantially, in part due to California legislation that limits who can be hired as a "gig" worker. Both companies have turned increasingly to collaborations as a way to address the new cost landscape, either fully co-producing, in the case of Playwright's Arena, or seeking hosts who can contribute a space, in the case of Red Bull. This maps on to the "sea-change" in the

²⁷ Californians for the Arts (20 September 2023), 'State funding approved to implement Equitable Payroll Fund (SB1116) to support small nonprofit performing arts organizations', <https://www.californiansforthearts.org/homepage-for-edit/2023/9/20/state-funding-approved-to-implement-equitable-payroll-fund-sb1116-to-support-small-nonprofit-performing-arts-organizations>

²⁸ Californians for the Arts (20 October 2023), 'Californians for the Arts announces the launch of CalPayArt, a nonprofit paymaster program designed to support small nonprofit performing arts organizations', <https://www.californiansforthearts.org/homepage-for-edit/2023/10/20/californians-for-the-arts-announces-the-launch-of-calpayart-a-nonprofit-paymaster-program-designed-to-support-small-nonprofit-performing-arts-organizations>

²⁹ Weinert-Kendt, R. (20 March 2023), 'If You Rebuild It, Will They Return?', *American Theatre*, <https://www.americantheatre.org/2023/03/20/if-you-rebuild-it-will-they-return>

frequency of coproductions noted in the press.³⁰ Red Bull no longer rents the larger off-Broadway theater it occupied for several years, as audiences have not returned in sufficient numbers to warrant the expense. Instead, they secure a new space for each production. They have undergone a “deliberate retrenchment,” spacing out productions and postponing them on occasion to take advantage of co-production opportunities. Solo performers or “two-handers” address both cost and health-safety concerns. Both companies are also constantly fundraising for each project, and carefully considering costs. At the same time, Jesse Berger notes how theater companies have figured out how to address onerous safety regulations and requirements: “we’ve learned, we’re ready” for a similar health emergency.

For decades, subscriptions had allowed US theaters to charge up-front for the work they would produce over an entire year, cultivate relationships with audiences, and mitigate the risk of presenting new or daring work by situating it within an overall familiar set of offerings. It is less clear what the model offered audiences, except perhaps for the stronger connection to an institution. (Some theaters moved to calling them “memberships,” to emphasize this “insider” benefit, but this did not fundamentally change the audience calculus.) The subscription model has been eroding for decades, and the pandemic seems to have dealt it a new blow.³¹ Audiences today report that they prefer to pick and choose, that they are not willing to see everything that a subscription would commit them to, and that their schedules are too unpredictable to accommodate a subscription. While theaters have experimented with more flexible packages (fewer shows, ability to combine shows and pick dates at will, etc.), the general consensus is that subscriptions are no longer dependable as the backbone of a theater’s operating model. Theatre Facts 2022 confirms that, for the theaters tracked, subscriptions now cover 5.4% of total expenses (versus 10.2% in 2018), while individual ticket sales cover 13.3% (versus 25% in 2018).³²

Structural/systemic issues:

•Audiences:

Hybrid work schedules have become much more common in the US, with about 30% of overall workdays now occurring at home.³³ The consequences for urban centers have been very pronounced: businesses that catered to office workers have closed, and the many theaters located in downtown cores are finding it difficult to persuade suburban audiences, in particular, to attend their performances.

Many theatermakers argue that audiences unlearned the habit of going to the theater, opting instead for the comfort of entertainment at home. Audience choices are also impacted by perceptions of

³⁰ Paulson, ‘A Crisis in America’s Theaters Leaves Prestigious Stages Dark’.

³¹ Paulson, M. (29 August 2023), ‘Hitting Theater Hard: The Loss of Subscribers Who Went to Everything’, *New York Times*, <https://www.nytimes.com/2023/08/29/theater/theater-subscribers-losses.html>

³² Theatre Facts 2022, 11.

³³ WFH Research, (October 2023), ‘U.S. Survey of Working Arrangements and Attitudes’, https://wfhresearch.com/wp-content/uploads/2023/10/WFHResearch_updates_October2023.pdf

crime etc. in downtown areas. Theater audiences in the US are predominantly white, well-off, and older, which has exacerbated the effects of COVID and the perceived ongoing reluctance to return in person.³⁴ In an October 2022 survey, 24% of respondents over age 65 were still waiting to attend in-person events, including 8% who said they would wait into 2023. Program interest remains a dominant barrier to attendance, most pronounced among patrons under age 64, whereas fewer older patrons share this concern. Older patrons and patrons with a stronger bond with the organization tend to be most concerned about COVID transmission, while younger patrons and those with a weaker bond tend to be more limited by budget. Though now receding, inflation had an outsize impact on younger, non-white audiences.³⁵

While there are some who argue that audiences have not returned because they do not appreciate the new emphases on BIPOC/social justice programming (note the constant refrain of “who wants to be preached at?” in the comments to *New York Times* and *Washington Post* articles about the current state of theater), it is unclear whether such programming is actually the issue. Theater companies are conducting audience surveys that try to gauge their support for diversity/equity/inclusion.

We found relatively little attention to new audience development/education/children’s theater, generally because theaters are under so much pressure to solve urgent problems in the now.

•Streaming and Access:

Despite claims during the pandemic that the accessibility of digital theatre was a crucial advance, “Zoom fatigue” is still widely cited, and most theatermakers emphasize their desire to be back in a room with audiences. There is very little streaming of existing productions, much less continued experimentation in the digital space. One exception is the non-profit League of Live Stream Theater [<https://www.lolst.org>], which was founded to try to centralize the labor negotiations and technical expertise that so many theaters cite as obstacles to streaming their productions, and has had some success with highly visible Broadway or Broadway-adjacent productions. Founder Jim Augustine expressed to us that he is waiting for theaters to “jump in” in large numbers, which would in turn allow him to secure commercial sponsorship, based on the projected streaming audiences. The unions have worked out limited agreements, at least for the LORT theaters (no more digital tickets can be sold than would be available at an in-person production, for example), yet other obstacles remain, including playwrights or their agents worried about diluting the impact of in-person productions. The Digital Access Research Project (unfunded and loosely affiliated with Harvard) is exploring the legal landscape, including from the point of view of access for the disabled.³⁶ The National Endowment for the Arts (NEA), as a federal agency, could work on issues of access, whether geographic or for the disabled. In 2021 “increasing audience accessibility” was

³⁴ Slover Linett/LaPlaca Cohen (July 2020), ‘Culture Track Study Wave 1: Culture + Community in a Time of Crisis’, https://s28475.pcdn.co/wp-content/uploads/2020/09/CCTC-Key-Findings-from-Wave-1_9.29.pdf

³⁵ AMS Analytics & WolfBrown (November 2022), ‘Audience Outlook Monitor Snapshot’, <https://medium.com/arts-intelligence-by-ams/audience-outlook-monitor-snapshot-report-november-2022-68c802d71eaa>

³⁶ metaLAB, ‘Digital Access Research Project’, <https://mlml.io/p/digital-access-research-project/>

identified as one of the key ways to reimagine the industry in a survey of “theatre’s essential workers.”³⁷

•The climate catastrophe:

The current crisis makes it difficult for theater sector to contemplate or plan for catastrophic circumstances, such as the next pandemic or the climate emergency. Yet these are far from remote possibilities. In fact, the effects of the climate emergency are already being felt: natural disasters such as fires and storms are already disrupting companies today—see the closures due to wildfire smoke everywhere from the Oregon Shakespeare Festival to Broadway, the January 2023 floods in San Francisco and Los Angeles, the October 2023 flooding in New York, to name just a few examples. In TCG’s most recent survey, climate crisis was ranked lower in urgency than other issues, but more than a third of theaters still cited it as a concern.³⁸ In order to strategize for these challenges, the sector will need to undertake much more long-term and sector-wide thinking. While some companies (such as Red Bull’s co-producer Fiasco Theater) are already thinking about sustainability, they do not yet seem to be planning for climate-related events.³⁹

•Organizational models:

Paradoxically, the pandemic freed artists from gatekeeping, pressures of the subscription season, etc. Much of the interesting work that emerged during that period came from artists working alone, who were able to create at home/in isolation, or for small itinerant or site-specific companies, who were used to putting on work in unusual spaces and thus found the transition to digital modes relatively straightforward. Companies (such as the LORT theaters) who were most closely associated with a physical site arguably had the most trouble turning their ships. There is also significant pressure for organizations to address their ongoing commitment to social and racial justice, and not to treat their 2020 responses as a temporary deviation from “business as usual.”

Many companies are now experimenting with new models, for both political and practical reasons. There is a new interest in horizontal/collective leadership models, and more skepticism about traditional organizational and compensation structures. Salaries for artists have increased since the pandemic—a long overdue development and widely supported, though it has significantly increased costs. The Association of Performing Arts Professionals (APAP) is currently conducting a survey of salaries which may clarify the current structure, and offer data on how best to support both artists and the organizations in which they are most productively embedded.

For all its progressive politics, the theater sector appears quite conservative when it comes to trying new models. This is partly because it is poorly supported, with little in the way of guidance, and largely because it is difficult to innovate or think long-term from a state of crisis. There are few

³⁷ Stith, N., Gastón-Panthaki, A. & Morris, R. (July 2021), ‘The Theatre Industry’s Essential Workers: Catalysts for Change’, *Theatre Topics*, 31:2, 73-86, <https://doi.org/10.1353/tt.2021.0023>

³⁸ Compounding Crises: Snapshot Survey.

³⁹ Fiasco Theater, ‘Values and Commitments’, <https://www.fiascotheater.com/values-and-commitments>

examples the US of the consultants or experts that advise theater companies in Germany or elsewhere. Yet some companies may be forced into innovative measures precisely because of the current crisis situation—it will be important to assess the impact of those attempted solutions. There is also significant pressure for organizations to sustain their commitment to social and racial justice, and not to treat their 2020 responses as a temporary deviation from “business as usual.”

Some companies are already trying new approaches:

Cannonball, a producing organization working within the Philadelphia Fringe Festival, offers artists multiple modes of access: a fee schedule, open to all, or a grant process that prioritizes underrepresented work via a selection committee, or various modes of co-production, with a shared assumption of risk. Artists get access to space and front-of-house support; ticket revenue is shared. Founding producer Ben Grinberg believes the model could work year-round in a subsidized venue, but the concern is to preserve access for artists, rather than having one arts administrator, or even a small committee, make the decisions about who gets funded.

In a city strongly committed to rebuilding its arts infrastructure, the new **Detroit Public Theater** (which has a collective leadership model) was housed for 5 years by the Detroit Symphony Orchestra, in an underused rehearsal hall. As soon as DPT was able to secure a permanent space, via the long-term rental of a historic building which they remodeled, they announced a residency program. They then conducted workshops with other local arts organizations for a year to decide how best to organize the program, and have just launched it. In my interview with AD Sarah Winkler, I asked how others might learn from their experience, and they emphasized there is no bandwidth for sharing their findings.

The **Marin Shakespeare Company** (San Rafael, CA) recently announced their Open Access program, by which their new center will be open during 12 hours midweek for artists across the disciplines to use free of charge, to “develop work, connect with others, or just provide a space to focus.” The space is exclusively for “non-monetized creative development”—playwrights could write a play in the space, and directors could rehearse it, but charging for a performance there is not allowed.⁴⁰

A highly visible case is New Haven’s **Long Wharf Theater**, which had long rented a space on the edge of the city, accessible only by car. They recently gave up their lease and announced a new itinerant model, whereby they present work in a variety of spaces in the community, for the community, as part of bringing theater to a truly representative New Haven audience. Many in the field are cheering for them, although there was initially strong pushback from members of their board and some long-term subscribers. In my interview with AD Jacob Padrón, he stressed the difficulty and the necessity of the change, and expressed his hope that the sector would support greater experimentation and theaters taking risks with new models.

•**Communication/research/advocacy:**

⁴⁰ Marin Shakespeare Company, ‘Open Access’, <https://www.marinshakespeare.org/open-access/>

In general, there is a dearth of spaces in which to propose and assess new solutions. TCG, the national organization convening theatermakers, was founded by the Ford Foundation in 1961 "to improve communication among professional, community and university theatres in the United States ... and enable members to study each others' methods, with the ultimate aim of making the theatre more professional in training, creation and production."⁴¹ In practice, though TCG convenes hundreds of theaters, publishes *American Theatre*, and puts out much of the research on the sector, it cannot possibly take on all aspects of this work. Their advocacy and research departments, for a national organization, are staffed by one person each, and, like so many organizations post-pandemic, TCG is undergoing a leadership transition.

First launched as an online journal in 2011, HowlRound [<https://howlround.com>] now functions as an online "theater commons," convening theatermakers and publishing on a number of topics of interest to the sector. Though it "amplif[ies] progressive, disruptive ideas about the art form," it currently undertakes neither advocacy nor research.

Grantmakers in the Arts, the national organization that convenes funders, has made "public policy and advocacy" one of its funding focus areas. The organization works to engage foundations in thinking about arts policy at the national level. It advocates for arts education in the schools and access to the arts for older Americans.⁴² Crucially, it also educates funders on "advocacy and lobbying, the difference between the two, and how grantmakers can support both."⁴³

Outputs/how theatre is valued/policy responses:

The challenges of the theater sector in the US are those of US society more generally: individualism and a dearth of collective endeavor; precarization of workers; decreased investment in the commons; political polarization, social isolation. Yet theater has an opportunity now to make its case in relation to other post-pandemic revitalization efforts, including movements for social/racial justice, mental health, and, crucially, the revitalization of urban cores. The NEA is actively developing promising partnerships with other government agencies, including the Department of Health and Human Services and the Environmental Protection Agency.⁴⁴ There have even been calls for reconceptualizing culture as infrastructure in order better to support it.⁴⁵

⁴¹ Theatre Communications Group, 'Our History' <https://tcg.org/Web/Web/About-Us/Who-We-Are/Our-History.aspx?hkey=638b4ccc-4a3f-4254-acf0-e7bc41d04705>

⁴² "In GIA's vision for the future, foundations have shifted their foci to increasingly include advocacy and public sector policy and practice," Grantmakers in the Arts, 'Public Policy and Advocacy', <https://www.giarts.org/category/arts-funding/advocacy-and-public-policy>

⁴³ Torres, E. (29 January 2020), 'We Can All Advocate (and Many of Us Can Support Lobbying)', *Grantmakers in the Arts* <https://www.giarts.org/blog/eddie/we-can-all-advocate-and-many-us-can-support-lobbying>

⁴⁴ <https://www.arts.gov/news/press-releases/2024/groundbreaking-arts-summit-healing-bridging-thriving>

⁴⁵ Laura Raicovich and Laura Hanna, "To Save Museums, Treat Them like Highways," *New York Times*, <https://www.nytimes.com/2024/02/10/opinion/museums-funding-arts-infrastructure.html>

While some of this might entail the “double burden” for theatermakers cited for the Canadian example, it remains the case that “art for art’s sake” is a difficult argument to make in the US.

In the wake of the pandemic, philanthropic donations seem increasingly uncertain, while the sector is only beginning to work on more sustained advocacy to the government. There is very little institutional, sector-wide or long-term thinking, in large part because theatermakers experience a near-constant state of urgent crisis and are accustomed to siloed modes of working. While the pause of the pandemic did not produce wholesale change, the unprecedented level of federal funding available during that time helped theatermakers realize the importance of securing more government support for the sector, and may have seeded the institutional actors who will help usher in a new era.

The US has no Ministry of Culture or equivalent entity (even its Department of Education is relatively recent, and comes under periodic attack from the right). Federal government support for the arts is routed through the National Endowment for the Arts, whose budget has to be renegotiated every year. The budget for this year is \$207 million, an increase of \$27 million over the year before. About half goes to state arts agencies, which then make their own grants. Only \$6 million is administered directly by the NEA’s Theater department, which then offers individual grants (the median grant in 2020 was \$20,000⁴⁶).

Because the NEA’s budgets must be renegotiated yearly, constant advocacy/lobbying is required to secure funds. One key advocacy organization for the NEA, Americans for the Arts, is oddly quiet at the moment, and does not seem to have emerged from the Me Too/anti-racist moment in great shape. The other is the Performing Arts Alliance, where theater is represented by TCG. They advocate not just for resources but for legislation impacting theater/the performing arts (visas for international performers, rules around wireless mics, regulations on ticket sales).

The new Professional Non-Profit Theater Coalition [<https://www.pntcoalition.org>] is now advocating at the federal level. They recently tapped Lin-Manuel Miranda to help them introduce ambitious legislation to provide \$2.5 billion over five years for US non-profit theaters. The amount is calculated to provide about 20% of each organization’s operating budget and to ensure their ability to survive. “‘It became clear that we need to change the relationship of the American theater to the federal government,’ Maria Manuela Goyanes, artistic director of Washington D.C.’s Woolly Mammoth Theatre, said of the coalition’s formation. ‘If you’re not at the table, you’re on the menu, so we are all going to make sure we are at the table.’”⁴⁷ However, to date the initiative has not led to action.⁴⁸

At the state, county, and city level, arts agencies and service organizations are increasingly making arguments that tie the arts to job creation and the recovery of urban centers. Appropriations for state arts agencies are projected to go down in 2024, continuing a trend of decreasing funding since

⁴⁶ GIA Public Funding for the Arts 2021.

⁴⁷ Lee, ‘American theater is in crisis. Some big names want Congress to help’.

⁴⁸ Paulson, ‘Off Broadway, a vital part of New York theater, feels the squeeze’.

the pandemic ended.⁴⁹ The largest percentage of state arts agency operating support grants are going to organizations with revenues less than \$50K with a median award size of \$3,000, but the bulk of operating support dollars are still going to larger organizations (budgets over \$1 million, and much higher average grant sizes). Equity in funding can be estimated from geographic/demographic analyses but “large scale data collection or standardization across multiple types of funders that adequately describes who benefits from arts grantmaking simply does not exist.”⁵⁰

US foundations are grappling with a number of urgent social issues, and seem less willing to prioritize the arts than they once were. When they do, they are prioritizing BIPOC-led and other newer/smaller organizations. Historically, arts philanthropy has invested more resources in larger and less diverse organizations in wealthier urban areas, but grantmakers are currently taking stock of these practices to see where opportunities exist to balance funding and reach underserved communities. Though this is widely perceived as a just and necessary redirection, there is concern that withdrawing support from the larger organizations that anchor the theater landscape may weaken the entire ecosystem. Conversely, others worry that attention to BIPOC organizations may not be sustained.

Some non-profit theater organizations are also facing challenges in fund-raising closer to home. In the US, the non-profit 501c3 status requires having a board. In interviews, we sometimes heard about the gradual transformation of these boards: though constructive and healthy boards still exist, some are far more transactional and demanding than in the past; they treat the theaters as businesses; they have unreal expectations; they are not made up of theater people but of successful professionals in other fields who assume their expertise will transfer. Needless to say, these boards are far less diverse than the US population and even than the theater staff. Because boards are selected in part for their potential to support the theaters financially, it is far more complicated to diversify these boards than the staff of the theater or the theater offerings. (There are no laws in the US to mandate any particular composition of such boards.)

Amid so many challenges, organizing and national-level initiatives seem more feasible with Zoom as a tool for convening people. Working with partners across the country has never been easier. Indeed, TCG and other organizations now routinely hold “convenings” online, which makes it possible for theatermakers across the US to participate.

⁴⁹ National Assembly of State Arts Agencies (26 July 2023), ‘State Arts Agency Legislative Appropriations Preview, Fiscal Year 2024’, https://nasaa-arts.org/nasaa_research/fy2024-state-arts-agency-legislative-appropriations-preview/

⁵⁰ Stubbs, R., Rhoads, M. & Rhee, N. (February 2023), ‘Public Funding for the Arts 2022’, *Grantmakers in the Arts & National Assembly of State Arts Agencies*, <https://reader.giarts.org/read/public-funding-for-arts-and-culture-in-2022>

Recommendations:

As noted below, many of these recommendations involve expanding or bolstering ongoing efforts. This report was shaped by conversations with many of the people already doing this crucial work, and their sense of how it might grow to support the sector.

For theaters and the organizations that serve them:

*As so many noted in our conversations, thinking as a sector and for the long term are key for ensuring the resilience of theater in the US. Theatre Communications Group and its publication, *American Theatre*, have long played a central role in convening theatermakers and disseminating information, but it seems urgent to think about what needs to happen in this space and who is best positioned to do it. Other national organizations, from LORT to the newly-formed Professional Non-Profit Theater Coalition, clearly have a role to play, as does the NEA (see below). Each convening organization has its own fee structure, and these risk leaving out the newest and/or most economically fragile theaters—including the broadest possible range of voices in the conversation seems key.*

— Build coalitions and common messaging to advocate for sustained investments from public and private resources.

— Expand advocacy and lobbying efforts at all levels. Organizations of all types should educate themselves about what activities are permitted to them, using broadly available resources.⁵¹ The unprecedented success in securing government support to weather the pandemic showed the importance of this work; the sector should take advantage of this moment to embark on more energetic advocacy and lobbying at the federal, state, and local level. The recently formed Professional Non-Profit Theater Coalition, which has taken on advocacy and lobbying at the federal level, is a great start. There are efforts underway to found and/or strengthen service organizations for the arts; these should put advocacy/lobbying efforts to state and local governments at the forefront. The sector should continue to stress its economic impacts when addressing various levels of government.

— Identify what research is already available to the sector and find partners to help fill in the gaps.

— Think strategically about what changes will enable further progress and prioritize those conversations: boards? capacity-building grants?

— Designate intentional spaces where sector-wide issues raised in national convenings can be addressed systematically and consistently, with identifiable actions.

⁵¹ CFTA: <https://www.caforthearts.org/casemaking-resources>

Performing Arts Alliance: <https://www.theperformingartsalliance.org/tool-kit/advocacy-basics>
 Americans for the Arts: <https://www.americansforthearts.org/by-program/reports-and-data/legislation-policy/legislative-issue-center/advocacy-toolkit-for-individuals-and-organizations>

—Continue to promote theaters in communities: There is widespread agreement that a theater’s connection to its community is what makes it work. What does this connection look like in each case, and how can communities sustain theaters in return? What partnerships—with schools, other cultural institutions, or neighborhood associations—could solidify these relationships?

—Review organizational and salary structures: In the current landscape, companies will need to think carefully about their organizational and compensation structures. Salaries for artists have increased since the pandemic, which has widespread support though it has significantly increased costs. What is the fairest, most effective salary structure for the rest of the organization? Horizontal/collective leadership models seem highly desirable in both political and practical terms, though trailblazers will need strong support.

—Continue to promote resource sharing (co-production, shared spaces and/or services, residencies): Theatremakers exist in shared ecosystems. The more they can ally with other companies or arts organizations, the healthier the overall landscape will be. Older organizations can mentor newer ones, and share resources as possible. Theaters fortunate enough to occupy their own space should ensure that their house is never dark. This not only helps emerging companies, but creates a sense of excitement and cross-pollination among audiences.

—Continue to expand access: Reach out to families and young people, as well as those who cannot make their way to the theater. Lower ticket prices, family packages, teen tickets, etc. help remove economic obstacles to attendance. A commitment to streaming in “normal” times would help build relationships with audiences or access resources reserved for underserved communities, while developing and maintaining a robust alternative to in-person performance for the next crisis.

—Prepare for the climate catastrophe: Fires, smoke, storms, and flooding are already disrupting productions and forcing cancellations across the country. Companies should build climate resilience and decarbonization into their current organizational models and future goals. This may include developing contingency plans for weather emergencies; reviewing and/or increasing insurance coverage; providing streaming access to content as an alternative mode of delivery; purchasing emergency-response equipment such as generators; reviewing and mitigating carbon use; offering carbon-mitigation surcharges to audiences; engaging funders, stakeholders, and communities, etc.

—Prioritize the audiences of the future: Despite the constant sense of crisis now, the sector needs to plan ahead by emphasizing access for families, theater education, children’s theater, and partnerships with local schools, all within the remit of a theater’s mission. Taking advantage of positive developments, such as California’s recent Proposition 28 funding arts and music education, is key.

—Continue to lift up successes and new models.

—Consider flexible fee structures and/or grants to make sure that all theaters can participate in service organizations.

For government agencies:

Given its limited funding, the NEA can play a significant role as a convener and thought-leader, as in the recent, unprecedented “Healing, Bridging, Thriving” White House summit on arts and culture. Bringing funders to the table to undertake systemic research or fund innovation would also multiply the agency’s impact. Others, from the Small Business Administration to state and local governments, mayors, and arts agencies, should take advantage of opportunities to promote theater while achieving related goals:

- Invest in the arts to promote urban revitalization and workforce development.
- Jump-start a virtuous cycle of return to downtowns by making empty spaces available to theatermakers, at low or no cost, with incentives for developers.
- Provide space and front-of-house support for artists, so that they can afford to create.
- Implement selection/curation processes that are as open, transparent, and non-hierarchical as possible, and offer support on longer cycles.
- Convene public and private funders with an invitation to address system-wide issues.
- Enable access and streaming to ensure theater truly reaches everyone, whether via micro-grants or more substantive sector-wide problem-solving for new forms of delivery.
- Help set the research agenda on big-picture questions, such as the role of philanthropy in supporting the sector over time, best practices for non-profit boards, etc.
- Continue to address systemic issues that affect artists and companies across the sector (bridge funding, payroll/ticketing systems, etc.)
- Offer incentives for outreach to new audiences.
- Offer incentives for artists who address social needs (education/youth services/mental health/public health/climate crisis mitigation).

For funders:

Foundations, which have already done so much to support the arts, could be key players in transformational, sector-wide change, especially if they think strategically about multiplier effects:

- Offer long-term, multiple-year grants to lessen the burden on theatermakers and allow them to plan more effectively for the future.

- Support the organizations that hire individual artists, so those artists can count on a well-resourced infrastructure.
- Support advocacy and think creatively about public/private partnerships.
- Fund research into the field (innovation grants, broader research projects) and the dissemination of successful models, including via theater/arts journalism.
- Encourage resource-sharing among grantees and help develop models to make it possible.
- Help strengthen existing service organizations and found them where they do not yet exist.
- Support *national* service organizations even if your typical grantmaking is *local*, to help devise replicable solutions, including better organizational models, models for co-commissioning/co-production, how to jointly strategize/advocate for the sector, etc.
- Invite theatermakers to meet you on social priorities beyond the arts for arts' sake, including public health, mental health, social justice, environmental justice, telling a community's stories, etc.

Interviewees:

Ricky Abilez, Director of Policy and Advocacy, Arts for LA
 Ben Allen – CA State Senator, Vice Chair of Joint Committee on the Arts
 Jim Augustine – Co-Founder, The League of Live Stream Theater
 Julie Baker – CEO, Californians for the Arts (CFTA)
 Teri Ball – Regional Advocacy Infrastructure Network (RAIN) Project Manager, CFTA
 Laurie Baskin – Director of Advocacy, Theatre Communications Group (TCG)
 Jennifer Bielstein – Executive Director, American Conservatory Theater (San Francisco)
 Ben Cameron – former president of Jerome Foundation; former head of TCG
 Talia Corren – Co-Executive Director, Alliance of Resident Theaters/New York
 Danny Feldman – Producing Artistic Director, Pasadena Playhouse
 Olga Garay-English, Director, National Latinx Theater Initiative
 Ben Grinberg – Founding Producer, Cannonball (Philadelphia)
 Gustavo Herrera – CEO, Arts for LA
 Mara Isaacs – Producer, Octopus Theatricals
 Jonathan Moscone – Executive Director, California Arts Council
 Jacob Padrón – Artistic Director, Long Wharf Theater (New Haven)
 Michael Paulson – theater reporter, *New York Times*
 Laura Penn – Executive Director, Stage Directors and Choreographers Society (SDC)
 Stephania Ramirez – Executive Director, Perenchio Foundation (Los Angeles)
 Greg Reiner – Theater and Musical Theater Director, National Endowment for the Arts (NEA)
 Lisa Richards Toney – Vice Chair, Performing Arts Alliance; President of Association of Performing Arts Professionals (APAP)
 Magda Romanska – Chair, Digital Access Research Project
 Corinna Schulenberg – Director of Communications and Research, TCG
 Adam Siegel – Managing Director, Lincoln Center Theater; board member, League of Resident Theatres (LORT)
 Charlotte St. Martin – President, Broadway League
 Zannie Giraud Voss – Director, SMU DataArts (formerly Cultural Data Project)
 Sarah Winkler – Founding Artistic Director, Detroit Public Theater
 Amy Wratchford – President, Wratchford Group (consultants to non-profits)
 Stephanie Ybarra – Program Officer, Mellon Foundation (formerly Baltimore Center Stage)