

EQ Voices

The business case for supporting the arts

BY JIM FLECK



As someone who has supported the arts and the creative community for many years, I believe the arts are an integral part of society. As Aristotle once said, "The aim of art is to represent not the outward appearance of things, but their inward significance." The arts are a fundamental expression of our deepest emotions as human beings and provide a common language

across all languages and societies. In essence, the arts are absolutely a part of who we are.

The arts enrich our lives, feed our spirits, fuel inspiration, and stimulate dialogue and new ways of thinking and perceiving. Without arts and culture, our communities would lose all sense of vibrancy and pride of place among our citizens. Our economy would also suffer. Studies show that the arts help attract and retain talent to our workforce, stimulate tourism, and encourage creativity and innovative thinking. In essence, investing in the arts just makes good business sense.

A McKinsey & Company report commissioned by Business for the Arts in 2009 concluded that the arts can have a positive social impact on local communities by improving quality of life and community engagement, and by contributing to social innovation. It has also been well documented that the inclusion of arts and culture in the revitalization strategies of many major cities has resulted in increased tourism, job creation, urban regeneration and business relocation to the downtown core. As an economic generator, arts and culture industries in Canada represent \$46 billion and employ some 630,000 people.

And yet, arts and culture continues to struggle with the threat of cuts from the public sector and a volatile market that affects private sector investment. Public sector support is crucial as it provides the solid operating base from which arts leaders are able to fundraise and build stability. Our McKinsey report reveals that for every public sector dollar invested, another dollar is stimulated from the private sector, and moreover generates a positive return through direct benefits (earned revenue, ticket sales), indirect benefits (boosting incidental business and tourism) and induced spending (organizational and employee spend).

The amount of money Canadians spend on cultural events is revealing. A 2008 Hill Strategies Research report found consumer spending on cultural goods and services totalled \$27.4 billion. Total spending on live performing arts was \$1.4 billion, more than double the level of consumer spending on live sports.

Arts and culture is a major industry and integral to the overall health of our economy, again both in terms of dollars generated but also in terms of hearts reached. As economies struggle all over the world, we are able as a people to reach for the arts as a means of solace and common experience. All of which is why both public and private sector investment in the arts is more critical than ever.

As Canada's only association of business leaders who support the arts, Business for the Arts is dedicated to empowering arts and culture organizations to build strong relationships with the private sector as volunteers, investors and ambassadors for the arts.

Our flagship program artsVest™ is helping to bring together businesses and arts and culture groups across Canada through matching incentive grants and sponsorship training workshops. From 2011 to 2013, artsVest will generate approximately \$3.9 million in private sector sponsorship resulting in an influx of about \$6 million to the cultural economy, as well as create synergistic new partnerships between an estimated 750 local businesses and 280 arts groups across the country.

We have also partnered with the Canada Council on a series of Roundtables to identify ways in which the arts and culture community can better position themselves within business investment strategies, and understand how the public sector can help stimulate broader support of the arts from the business community.

Overwhelmingly, businesses that are involved as investors in the arts tell us that they invest for both community investment priorities as well as to fulfill business objectives such as brand enhancement, employee engagement, client entertainment and niche marketing opportunities. The arts and culture sector is at a distinct advantage in being able to provide tangible benefits that fulfill key business goals.

Research has shown that 77% of Canadians are likely to buy brands that contribute to worthy causes. Interestingly, 68% of Canadians say they would remain loyal through a recession to a brand that contributes to a worthy cause – even if lower price brands were available. For business leaders who are looking for meaningful data that demonstrates the economic and social advantages of the arts, these are all compelling reasons to support the arts.

As a country teeming with artists, musicians, actors, writers, dancers, directors, choreographers, composers, broadcasters and filmmakers, investing in the arts is simply good for business.

The founder of Fleck Manufacturing Co., Dr. James D. Fleck, O.C., was deputy minister and assistant to former Ontario premier William Davis. He has served on the boards of the Art Gallery of Ontario Foundation, the Minister's Advisory Council for Arts and Culture (Ontario), the Toronto Music Garden and Harbourfront. His awards include the Edmund C. Bovey Award for Leadership Support of the Arts, the Angel Award for Philanthropy in the Arts by the International Society of Performing Arts and the Ramon John Hnatyshyn Award for Voluntarism in the Performing Arts. To learn more visit www.businessforthearts.org.