



2003 *Annual Report*  
Greater Philadelphia Cultural Alliance



greater  
philadelphia **cultural**  
**ALLIANCE**

September 2003

It is my great pleasure to present this 2003 Annual Report. The accomplishments that are described here are the byproduct of a collective effort. The Cultural Alliance Board has crafted a strategic plan that charts a new and ambitious direction to put the Alliance's primary emphasis on strategic leadership. Our staff has embraced the new direction, and exceeded many of its expectations in just the first year. Our members, working together as an Alliance, advocate, market and support an incredibly rich cultural product for the greater Philadelphia region. My thanks to all of you.

*Peggy Amsterdam*

Peggy Amsterdam  
President

*"The greater Philadelphia region will become a place where people are passionately involved in and supportive of arts and culture, and a place admired throughout the world for its quality of life, made possible by diverse cultural experiences and creativity."*

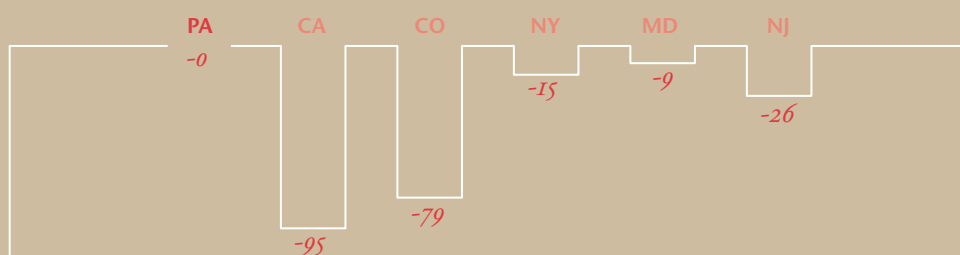
## *A Year in Review*

One year ago, the Cultural Alliance authored a new strategic plan designed to transform the organization from its traditional membership focus to a broader mission of regional leadership. On this first anniversary of the new plan, we assess here our progress on its ambitious, but vital, objectives.

In short, Fiscal Year 2003's results were excellent. At a time of great economic challenge, the Greater Philadelphia cultural community came together to increase its clout among policymakers and create new opportunities for earned income. **Tough times require courageous collaborations.** Together, we forged those collaborations, and the results speak volumes about the tenacity and creativity of the cultural sector.

Quote: Vision Statement, Greater Philadelphia Cultural Alliance Strategic Plan 2002-2005

FY 2004 Comparative State Budget Changes (%)



## Advocacy

In FY 2003, 37 of the 50 states cut or were planning to cut their arts budgets, and in ten of them, the cuts were projected to exceed 30 percent. Pennsylvania bucked that trend. Instead, our elected officials reinvested \$14 million in the Pennsylvania Council on the Arts, amounting to level funding for the department. They recognized that arts funding is a small fraction of the Commonwealth's overall budget, but one which returns many fold its nominal investment in terms of economic competitiveness and quality of life.

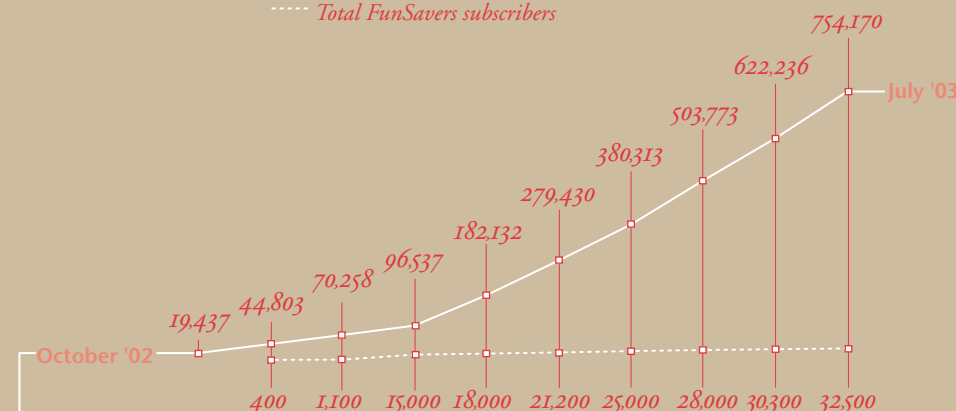
In May, Cultural Alliance staff met with House and Senate leadership in Harrisburg. We also met with the Department of Community and Economic Development (DCED) to offer suggestions on incorporating arts and culture criteria into DCED funding streams for community revitalization, tourism and capital development.

In Philadelphia, the story was even better. City Council voted to increase funding for the Philadelphia Cultural Fund by \$650,000, bringing the total to \$2.4 million. This increase was part of a five-year goal to bring the Cultural Fund up to \$5 million. Again, with these funding decisions, elected leaders demonstrated their understanding that arts and culture are a strategic advantage for our region by enhancing our quality of life, attracting and retaining quality companies and employees, and ultimately contributing to the tax base.

The Cultural Alliance made significant progress in cultural planning last year. We hired our first County Outreach Coordinator to oversee our efforts in suburban communities. She and other Cultural Alliance staff have met with scores of cultural groups, community leaders, and educators to inform them about our services, identify needs, broker relationships, and provide guidance on economic development initiatives using the arts.

The Cultural Alliance's new leadership-based mission means that advocacy and cultural planning are always at the forefront of the Alliance's agenda. Our strategy is to integrate culture into the broader regional planning discussion, so that arts and culture are discussed at the same time and in the same breath that the region addresses other key long-term issues including economic development, transportation, education and infrastructure.

Cumulative visits to PhillyFunGuide.com  
Total FunSavers subscribers



## Marketing

In FY 2003, the Greater Philadelphia Cultural Alliance launched the Campaign for Culture with the specific objective of helping cultural organizations market collectively to increase their earned income. At a time when contributed income from government, foundation, corporate and private sources was stretched thin by a stagnant economy, cultural organizations needed to find new audiences, sell more admissions, and increase their marketing capacity. The Campaign for Culture was created to meet that need.

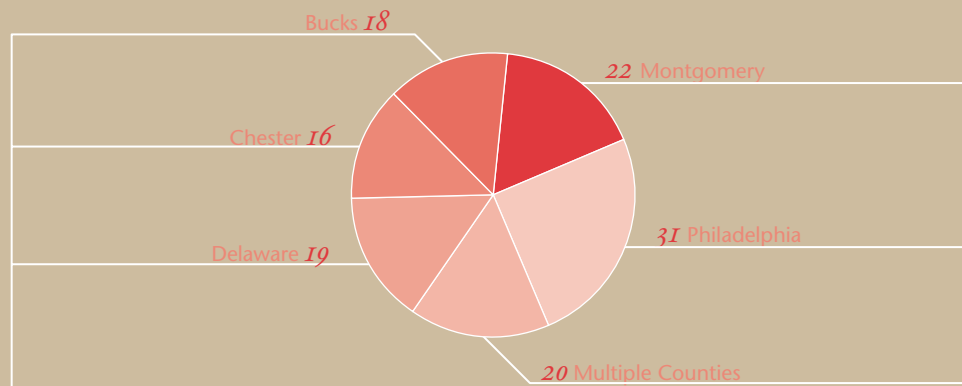
The first element of the Campaign, PHILLYfunguide.com, debuted in October 2002. The entertainment calendar quickly became the region's most widely used online resource for events of all disciplines. In one year, the calendar is set to attract one million visitors. It listed more than 2,000 events, providing one-stop shopping for both presenting institutions and consumers. The Cultural Alliance also produced a "private label" version of PhillyFunGuide.com for a dozen key arts and tourism partners, to ensure even wider distribution of entertainment listings.

The second element of the Campaign for Culture, PhillyFunSavers, launched in January 2003. This weekly permission-based, half-price ticket e-mail service also caught on quickly with the greater Philadelphia community. Originally forecast to reach 10,000 subscribers in the first year, it surpassed that number in the first week. At the end of June, the number of subscribers stood at 32,500, about three times that of permission-based e-mail ticketing programs in comparable regions.

More importantly, PhillyFunSavers brought new revenue and new customers to member institutions. In its first eight months, the program returned over \$200,000 in revenue to 89 members from the sale of 11,000 tickets and admissions that otherwise would have gone unsold. And, based on preliminary surveys, 60 to 70 percent of the attendees were first-time patrons.

Clearly, the Campaign for Culture is already achieving its primary objectives of increasing earned income and building new audiences.

*FY 2003 Grant Awards by Project County*



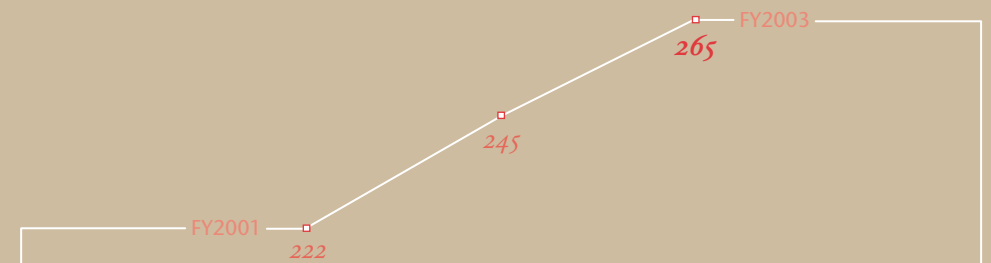
## Grantmaking



FY 2003 marked the second year for the 5-County Arts Fund. This unique program provided grants of up to \$5,000 each to 126 individual artists and emerging arts organizations. With financing from the Pennsylvania Council on the Arts "Partners in the Arts Program," matching funds from the Delaware River Port Authority and additional support from PECO Energy Company, the Cultural Alliance was able to distribute \$326,562 this year. By design, the 5-County Arts Fund allocated funding equally across the five counties of southeastern Pennsylvania, continuing to establish the Cultural Alliance as a leader of the arts and culture community in urban and suburban areas throughout the region.

At the end of the year, the Cultural Alliance was also able to work closely with the Delaware River Port Authority to establish a second round of regional cultural economic development grants. This program will funnel another \$1.7 million into the nonprofit cultural sector, in addition to the \$4.85 million first established in 2000.

*Cultural Alliance Membership Growth*



## Membership



Reflecting the trends in our advocacy, marketing and grantmaking efforts, membership hit another record high this year. The Alliance's aggressive programmatic activity, visibility and membership development efforts helped propel us to a total of 265 members, up another 8 percent from the prior year.

The Alliance was particularly vigilant in the area of health insurance, where costs continue to skyrocket at a rate far in excess of the consumer price index (CPI). The Alliance offers Blue Cross and Keystone plans at preferred rates, to help members control costs while ensuring the best coverage for their employees. The Alliance's membership coordinator, a licensed health insurance agent, works solely for Cultural Alliance members helping them to navigate this complex, but critical, employee benefit. In FY 2003, the number of member organizations enrolled in the discounted Blue Cross Health Insurance program also reached a record high of 90.

## Regional Leadership

To raise the cultural community's visibility and stature Cultural Alliance staff frequently participates in regional collaborative efforts and speak to numerous high profile community leadership forums each year. In FY 2003, Cultural Alliance President, Peggy Amsterdam, seized numerous opportunities to speak for the arts and culture industry. These included the Pennsylvania Economy League Annual Meeting, Innovation Philadelphia (Co-Chair Hot Team, Creative Community), Governor Rendell's Transition Team for Arts & Culture, National Endowment for the Arts, American Association of Museums, U.S. Urban Arts Federation, Philadelphia Cultural Fund, Delaware Valley Grantmakers, Union League Benson Table Speaker, Greater Philadelphia Convention & Visitors Bureau, and the Main Line Chamber of Commerce. The Cultural Alliance also continued to retain a professional lobbyist in Harrisburg to anticipate legislation affecting the nonprofit cultural community and ensure that members' interests are actively represented at the state level.

Tom Kaiden, Deputy Director, spoke to several workshops at the National Arts Marketing Conference in New York to highlight the Cultural Alliance's umbrella marketing efforts. Tom took the Cultural Alliance's umbrella marketing message on the road, with presentations of the Campaign for Culture at national and regional forums including the National Arts Marketing Conference, the League of Resident Theatres (LORT) Conference, Association of Performing Arts Service Organizations Annual Meeting, Pennsylvania Statewide Museum Conference, and "Whose Business is the Arts" at Lehigh University. David Trainor Namir, Director of Marketing, spoke to several groups about extending the reach of the Cultural Alliance's electronic marketing initiatives.

The Cultural Alliance has also contributed to the Greater Philadelphia Knowledge Industry Partnership, a broad-based coalition aiming to maximize the impact of the region's colleges and universities on Philadelphia's competitive position. In the spring, Alliance staff served as volunteers in New Jersey at the "Save the Arts Rally" in Trenton, part of a public campaign to restore New Jersey's cultural funding. The Cultural Alliance also served as a community partner for the Free Library's One Book, One City project, and offered cultural organizations opportunities to promote events in conjunction with the Free Library's efforts.

Julie Hawkins, Director of Policy and Government Relations, served as a panelist for the Philadelphia Cultural Fund and as a presenter for an advocacy-themed panel at the Arts & Business Partnership of Southern New Jersey's annual conference. This summer, she represented the Alliance on the programming committee of "ImPact 2003," a statewide conference for young professionals to be held in Philadelphia this October.

## Financial Results

The Cultural Alliance completed FY 2003 on sound financial footing, thanks in large part to the support and confidence of key funders and members. Major new grants in FY 2003 included \$557,000 over three years for capacity building from the **William Penn Foundation**, \$250,000 from the **Delaware River Port Authority** for the Campaign for Culture, and \$162,000 over three years in general operating support from the **Philadelphia Cultural Leadership Program**, sponsored by **The Pew Charitable Trusts**.

Furthermore, to ensure the long-term sustainability of the Alliance's core activities, the new Strategic Plan established a task force to develop ways to increase and diversify income sources, so that core expenses (for services deemed permanent) are independently and fully funded. The Alliance is committed to sound fiscal management, so that the momentum gained over the past few years continues to build for the long-term.

The Cultural Alliance gratefully acknowledges the following funders for their support of our activities: **Barra Foundation; Commonwealth of Pennsylvania Council on the Arts; Claneil Foundation; Delaware River Port Authority; Dolfinger-McMahon Foundation; Samuel S. Fels Fund; Independence Foundation; Lockheed Martin Management & Data Systems; National Endowment for the Arts; PECO Energy Company; The Pew Charitable Trusts; Philadelphia Cultural Fund; The Philadelphia Foundation, from the Jonathan C. Neff Fund, Herman K. Platt Fund, and the Charles and Caroline Reed Memorial Fund; Waterman Fund of The Philadelphia Foundation, and the William Penn Foundation.**

## Looking Ahead to 2004

While we can be justifiably proud of our accomplishments this past year, there is much work still to be done. As we enter the second year of the 2002-2005 Strategic Plan, our focus on leadership and marketing remains paramount.

First, we will continue to observe the political arena carefully and nimbly respond, as always, to potential funding threats, as well as opportunities to make the case for increased support. To that end, the Cultural Alliance will launch in FY 2004 a new online advocacy tool that will inform members and enable them to easily and immediately respond to legislative action. New dedicated research and advocacy staffing will further inform and objectively support our policy positions. We will also continue to actively participate in the development of the Pennsylvania Cultural Data Project, a critical tool to measure and report on the status of the cultural community.

Second, in an environment fiercely competitive for consumer's leisure time, cultural collaboration remains key to increasing our industry's market share. Therefore, as umbrella marketers, we will continue to utilize the Campaign for Culture to help our members increase earned income. Year Two of the Campaign will add the following initiatives to the current mix: a cooperative advertising program, a new service quality initiative and a feasibility analysis of a virtual or physical half-price ticket booth.

To improve member service, we will enhance the 2004 Cultural Resource Directory, one of the core benefits for all members. The redesigned directory will provide e-mail contacts, facility rental information and a practical how-to guide that supports the new online advocacy tool. The Alliance will also be especially active on health insurance from both a benefits and advocacy standpoint. With the almost certain market-forced migration of Blue Cross to demographic-based pricing, the Cultural Alliance will help members navigate the new structure with dedicated informational briefings. We will also stand ready to advocate in Harrisburg on behalf of our members' interests when the issue of demographic versus community rating resurfaces in the next legislative session.

Finally, we will continue to pursue and maximize cultural funding to benefit members through the 5-County Arts Fund and other new initiatives. The Alliance understands that contributed income will always be critical to the development and vitality of our sector.

As we close the book on one year and begin a new one, all of us at the Cultural Alliance would like to express our sincere gratitude to all of you: our members, funders, and partners. It takes commitment to make collaboration effective. Each day we witness your commitment both to your own organizations, and to this Alliance. It is our honor to serve you.

### Staff

<b>President</b> Peggy Amsterdam	<b>Membership Coordinator</b> Theresa A. DeAngelis	<b>Administrative Assistant</b> Nicole Mill	<b>Electronic Marketing and Communications Coordinator</b> Whitney Prendergast
<b>Deputy Director</b> Tom Kaiden	<b>County Outreach Coordinator</b> Nancy DeLucia	<b>Advertising and Promotions Coordinator</b> Rebecca A. Lang	<b>Director of Development</b> Susan Weiss
<b>Marketing and Communications Assistant</b> Jim Bold	<b>Director of Policy and Government Relations</b> Julie Hawkins	<b>Grants Program Coordinator</b> Tamar Lelkes	<b>Advocacy Coordinator</b> April Williamson
<b>Research Coordinator</b> Callie Curran	<b>Executive Assistant</b> Linda Hollingsworth	<b>Director of Marketing</b> David Trainor Namir	

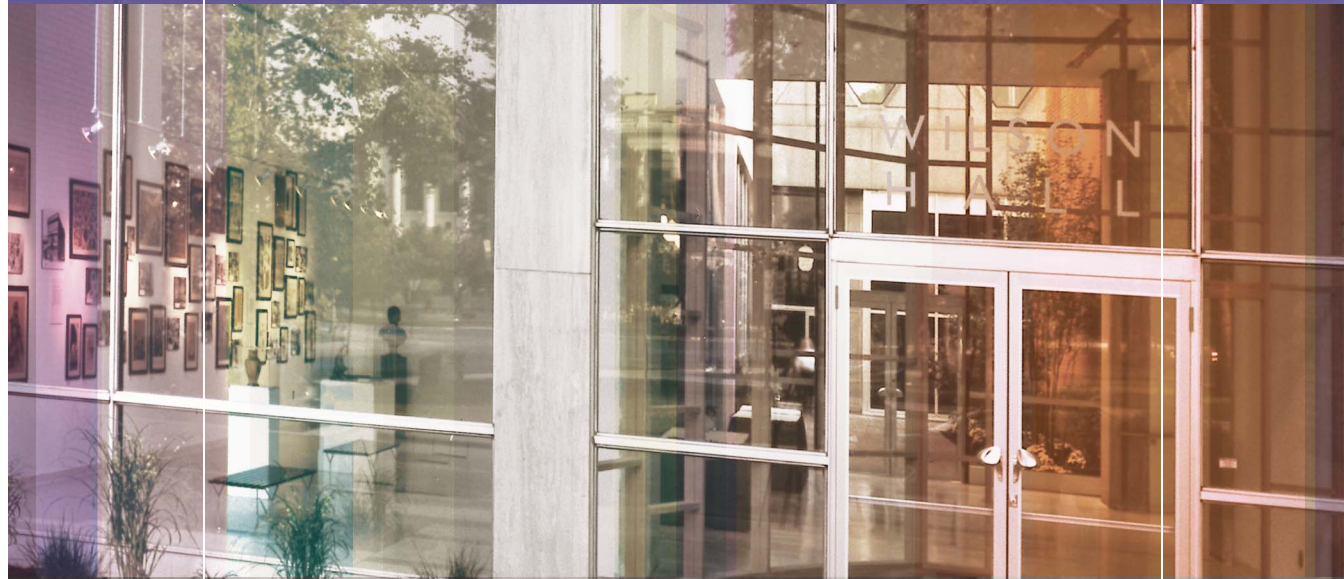
### Board of Directors

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<b>Robert W. Bogle</b> Philadelphia Tribune	<b>Elizabeth E. Gemmill, Esq.</b>	<b>Gayle Isa</b> Asian Arts Initiative	<b>Susan Sherman</b> Independence Foundation
		<b>Hon. James Kenney, Ex Officio</b> Philadelphia City Council	<b>Dennis Wint</b> Franklin Institute
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### Supporters

Anonymous	Wachovia Foundation	PECO Energy Corporation	Waterman Fund of The Philadelphia Foundation
Barra Foundation	Phoebe W. Haas Charitable Trust "B"	The Pew Charitable Trusts	William Penn Foundation
Commonwealth of Pennsylvania Council on the Arts	Independence Foundation	Philadelphia Cultural Fund	
Delaware River Port Authority	Lockheed Martin Management & Data Systems	The Philadelphia Foundation, from the Jonathan C. Neff Fund, Herman K. Platt Fund, and the Charles and Caroline Reed Memorial Fund	
Dolfinger-McMahon Foundation	Merck & Co.		
Samuel S. Fels Fund	National Endowment for the Arts		

*Leading the effort to increase positive awareness of, participation in and support for cultural organizations among business, community and elected leaders, audiences and the general public.*



PENNSYLVANIA  
COUNCIL  
ON THE



The Cultural Alliance is supported in part by the Pennsylvania Council on the Arts, a state agency funded by the Commonwealth of Pennsylvania and the National Endowment for the Arts, a federal agency.

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**ALLIANCE**

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