

# Festivals are good for Ireland's economic health!

- **Economic impact of two of the island of Ireland's biggest arts festivals estimated at €8.4million**
- ***Business to Arts* and PricewaterhouseCoopers join forces to measure the joint impact, North & South, of Ulster Bank Dublin Theatre Festival and Ulster Bank Belfast Festival at Queen's**
- **Sponsorship shown to play a critical role in enabling delivery of festivals**
- **Employment in both festivals is estimated at the equivalent of 67 FTEs (full time employees)**

As we enter peak festival season, the Chief Executive of *Business to Arts*, Stuart McLaughlin stated that Ireland's greatest festivals are not just fun to enjoy, they are great economic drivers as well. He was speaking at the launch of a report produced with PricewaterhouseCoopers which established the details behind the economic impact of two of Ireland's biggest arts festivals.

Focusing on Ulster Bank's Festival Sponsorship Portfolio, the report 'Shining the light on Successful Sponsorships' identifies the 'immediate' economic benefits associated with the Ulster Bank Dublin Theatre Festival and the Ulster Bank Belfast Festival at Queen's. The report also looks at the characteristics of a good model of practice for business sponsorship of the arts.

Representing 27% and 22% respectively of the Dublin and Belfast festivals income, sponsorship is shown to play a significant role in supporting Ireland's successful festivals; which in turn are important drivers of local economies and beyond, with over 10,000 festival events each year throughout Ireland.

All evidence points towards a blended model of funding being the most sustainable, with a balance between statutory, private and box-office income. *Business to Arts* today called on the business sector to consider the impact that ongoing and strategic investment in arts and culture could have on the all-Ireland economy and our international profile, while also seeking greater joined-up thinking in creating an environment which enables partnership between the public and private sectors.

Stuart McLaughlin, Chief Executive of *Business to Arts* noted "this report emphasises the importance of private investment in the 'landscape' of funding. With the intense pressure that remains on all sectors, public and private, we must work together to create the sustainable models of finance for arts and culture and cease to consider investment from different sources independently."

Ann O'Connell, Consulting Partner at PricewaterhouseCoopers who completed the report said "For business and the arts to leverage maximum benefit from sponsorship investment, it is not only funding that matters but also the benefits of a partnership that truly works together as a team. No matter what the economic environment, the benefits of such teamwork go far beyond the monetary value where developing and building relationships go a long way to creating best-in-class sponsorships. PwC is

delighted to have been involved in the production of this report, which we hope will contribute to the future success of sponsorship investment of the arts.”

Loughlin Deegan, Artistic Director of Ulster Bank Dublin Theatre Festival responded to the report saying “this report clearly demonstrates not only how important Ulster Bank’s sponsorship is to the Festival, but also the impact it has on the city of Dublin and Ireland as a whole. Ulster Bank’s support enables the Festival to showcase the best Irish work, ensuring we maintain Ireland’s international reputation for excellence in the performing arts.”

The report is available for download on [www.businessstoarts.ie](http://www.businessstoarts.ie).

For further information or images of the launch please contact :

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#### **Note to Editors :**

‘Shining the Light on Successful Sponsorships’ is an in-depth research report undertaken by *Business to Arts* and PricewaterhouseCoopers.

The report focuses on Ulster Bank’s sponsorship of the Ulster Bank Dublin Theatre Festival (UBDTF) and the Ulster Bank Belfast Festival at Queen’s (UBBFQ).

The headline release estimates the benefits which derive from the labour and non-labour spend of the Festivals. Through the application of economic impact multipliers, the direct, indirect and induced contribution of company and employee expenditures on the output of the Republic of Ireland and Northern Ireland economies in 2009 is estimated at €8.4m.

#### **Economic Impact Multipliers Explained :**

The economic benefits of a defined increase in expenditure (such as through gaining a significant sponsorship investment) fall into three categories, namely :

**Direct** - the economic benefits that derive from the initial payment, eg the increased profitability of the local coffee shop as a result of the daily purchase of coffees by festival employees.

**Indirect** – benefits to the economy that result from the increased production activity of suppliers to the initial beneficiary of expenditure, eg local manufacturer of bread

**Induced** – the economic benefits that derive from the expenditures of individuals who are in receipt of additional earnings as a result of the initial expenditure eg the expenditures of an additional employee of the local coffee shop, perhaps in a local restaurant.

**The main headline points of the research include :**

- The employment in both festivals is estimated at the equivalent of 67 FTEs (full time employees)
- UBDF had an economic impact to the ROI of €4.53m on output, representing 36 FTEs; UBBFQ had a €3.85m impact in Northern Ireland on output, representing an equivalent of 31 FTEs.
- Non-labour expenditures at the Festivals in 2009 was circa €4m, the largest category of which was production costs, including artist wages, accommodation, subsistence and venue costs, accounting for over €2m, 64% of total spend.
- Associated visitor spend totalled €1.62m across the festival, of which €1.05m was directly attributable to the festivals. The impact to output (value added) of this spend amounted to €1.3m for Dublin and €629,000 for Belfast respectively.
- Local resident spend was not included in this analysis, however previous Ulster Bank Belfast Festival at Queen's research estimates that it is significant.

**Overview of Festivals**

Ulster Bank Dublin Theatre Festival, founded in 1957, currently runs for 18 days from the end of September each year. The Festival focuses on presenting international theatre artists and companies alongside leading Irish work. A total of 47,500 tickets were distributed for the 221 performances shown in the Festival in 2009. The Festival has strong local support, as the vast majority of attendees are from County Dublin (74%), however the Festival also attracted visitors from the USA, Germany, England and other European countries.

Ulster Bank Belfast Festival at Queen's was established in 1962 and has now grown to a 16-day Festival covering a wide range of international and national art forms, such as theatre, dance, classical music, literature, jazz, comedy, etc. 32,260 tickets were sold for the 172 performances in last year's Festival. Similar to UBDF, the Festival has strong local support with 85% of audience members coming from the Belfast Region, as well as attracting overseas visitors from countries such as the US, France and Spain.