2001 ANNUAL REPORT

SUMMARY

HIGH FIGURES REAFFIRMED FOR THE NUMBER OF VISITORS TO MUSEUMS, CULTURAL ASSETS AND THE METROPOLITAN MUSEUM STRUCTURE

INCREASING NUMBERS OF VISITORS TO OTHER PIEDMONT MUSEUMS AND CULTURAL ASSETS

ENTERTAINMENT INDUSTRY REVENUE AND CULTURAL PRODUCTION FIGURES STABLE

CINEMA REVENUE ON THE RISE AGAIN

AUDIOVISUAL SECTOR GROWING STRONGLY

1. CULTURAL CONSUMPTION

1.1 Visitors to museums and cultural assets

The number of visitors to museums and cultural assets in Piedmont measured for 2000 was reconfirmed for 2001. This significant stability is evidence of the consolidation of demand at the highest levels seen since post war years, but can also be seen as an indicator of decelerating growth.

The number of visitors to **Turin's Metropolitan Museum Structure** – which includes the majority of museums in the metropolitan area and assets belonging to the circuit of Savoy residences – during 2001 was **1,839,668.** If the figures for the reopening of the Palazzo Madama are also considered, the number of visitors increased by **0.73% in comparison to 2000**, whereas a drop of 1.31% is measured if only the museums and cultural assets monitored during 2000 are taken into consideration.

The number of visitors to museums and cultural assets in the **extra-metropolitan regional area** was 900,558 – **an increase of 5.42%** over the figures for 2000.

Overall, there were 2,740,226 visitors to the 80 museums and cultural assets monitored throughout the entire region, 67% of which in the Turin metropolitan area.

The total of over 2,700,000 visits throughout Piedmont during 2001 was achieved thanks to a combination of conditions which rendered the region's cultural heritage more attractive:

- **a period of intensive investment;**
- efforts by museums to offer **more programmes specially tailored for schools and the younger segment of the market**;
- **more concerted collaboration between participants** and the **development of initiatives collateral to the visit itself** have contributed to propose a wider and more diverse cultural offering;
- **more incisive coordination, collaboration and programming policies**, which have brought tangible results, in terms also of public awareness of the structure and of more active participation in cultural aspects of life, above all by the local public and habitual visitors.

While during 2001, as in previous years, it was still the Metropolitan Museum Structure that attracted the greatest share of visitors, the significant increase in visitors to museums and assets situated throughout the rest of the territory is an indication of a new dynamism and ability to attract, which are the results of a period of investment into both structures and activities.

Unlike the three year period from 1998-2000, which was marked by exceptional events (1998 and 2000, Exposition of the Turin Shroud, 1999, the great Baroque exhibition and 2000, opening of the Cinema Museum), 2001 was a relatively normal year. However, the negative after-effects of the attack on the Twin Towers do bear consideration: these consisted of a significant reduction in the number of visits, estimated at approximately 100,000 units.

The stabilisation which appears to mark 2001 suggests that a new threshold has been reached, which would require new investments to be made in order to overcome. On the other hand, the results of the long period of investments into cultural assets are still far from exhausted: the enhancements which will be made to the current cultural offering over the next few years (including the reopening of the Museum of Ancient Art at Palazzo Madama, the transfer and expansion of the Savoy Gallery and new opportunities for expansion and improvement for the Egyptian Museum, etc), will present new possibilities to increase public interest in museums and the cultural heritage.

1.2 Live entertainment

The lack of detailed information from SIAE on the consumption of live entertainment in Italy, due to the abolition of taxes on performances, renders it impossible to prepare statistics and draw comparisons between what occurred in Piedmont and what happened in other Italian regions for each category of entertainment. Therefore as a source of data for 2001, the Borsa Teatro (theatre market), published by Agis in the "Giornale dello Spettacolo" was used, together with a census of individuals involved in the regional territory conducted directly by the Osservatorio (monitoring body).

The data provided by the Borsa Teatro only regards to a subgroup of the whole market, as it is only concerned with ticket sales for plays, musical comedies and concerts held solely in Agis associated theatres and halls.

According to the Borsa Teatro, on a national scale the number of sites has increased by 12.9% with respect to the previous year, whereas the number of spectators has fallen by 6.2% - corresponding to over 370,000 units less. **Piedmont, with 480,907 ticket sales, was the only region in Northern Italy in which there was**

an increase in consumption (measured at 24%): in numerical terms, Piedmont was the region in which the largest increase was registered.

Piedmont is the fifth region in terms of number of spectators after Lombardy, Latium, Emilia-Romagna and Tuscany. Calculating the ratio between ticket sales and resident population, **the average ticket sales figure per capita in Piedmont is close to the National average, with the region coming seventh.** Analysing the consumption data for the resident population, the city of Turin also comes seventh nationally. The city's average of 23 tickets per 100 inhabitants is less than figures for other metropolitan cities (Milan, Bologna, Florence, Bari, Rome and Genoa).

In terms of the distribution of live performance spectators throughout the territory, Turin province comes first, with 74%, followed by Cuneo (represented by the city of Alba), with 9%, Novara, with 8.7% and Alessandria, with 6%. The remainder of the province counts for less than 1% of the regional total. It is interesting to note that the distribution throughout the territory is strongly influenced by the activity of the Teatro Stabile in Turin, which establishes the season's programmes for the Teatro Sociale in Alba and the Teatro Coccia in Novara. According to the spectator figures given by the Borsa Teatro, another notable area is Vercelli, where the Teatro Barbieri totalled almost three thousand spectators over a monitored period of nine days.

The figures for ticket sales per inhabitant reflect a trend toward the limitation of consumption, and therefore of expenditure in general for the population of Piedmont, which had already been observed in previous years. Unlike areas with stronger tourism based economies, the Piedmont theatre public is predominantly local, therefore the figures are not particularly influenced by the influx of tourists to summer events. However, it is important to note that a proportion of the events held in the region are free, and therefore are not recorded in the statistics.

Data from the OCP census indicates a situation of stability in the consumption of theatre facilities. During the 1999/2000 season, the number of spectators for the companies monitored by the OCP was approximately 970,000, whereas monitored subjects operating in the musical sector totalled 575,000 spectators.

Festivals are annually gaining more importance in the context of live performance, although the figures for 2000 relative to 67 subjects monitored by the Osservatorio (with approximately 1.2 million tickets sold) indicate an overall decrease. This decrease can almost entirely be attributed to changes in summer event programming. However, this does not imply that cultural consumption in Turin is slowing down, and is only a result of changes to the festival formula and a reduction in free, open air events. Indeed, 2000 saw the implementation of a new festival formula, the Extra-Torino Festival, a new feature for the city of Turin: this new offer in part reoriented the consumption patterns of visitors to other festivals and of the public frequenting the series of summer events grouped together in the "Giorni d'Estate" programme.

Productive and organisational structures also exist in the form of circuits, acting as a network through which their cultural product can be distributed geographically. Examples of these are "Piemonte in musica", "Piemonte a teatro", "Teatro Ragazzi Giovani Piemonte", "Blues al femminile", "Piemonte al cinema" and "Il cinema diffuso".

The extremely unreliable availability of data for the entertainment industry provided by official statistics sources necessitate further expansion of current monitoring systems.

1.3 Cinema

During 2001, the **overall demand for cinema in Turin** remained practically constant: there was an **increase of 1.60%** with respect to 2000. After a period of reduced consumption, 2001 was therefore a moderately successful year. The total number of spectators in 52 cinemas throughout the city was 3.2 million, with box office takings totalling 16.5 million Euro.

These positive results are largely due to the figures for March, with over 20% more spectators, and February, with an increase of almost 15%. During these two months, eight of the twenty most popular films in 2001 were released, including three Italian films: *"L'ultimo bacio"*, "*Le fate ignoranti"* and *"La stanza del figlio"*. Once again, monthly spectator figures are strongly influenced by the programmes offered by cinemas and by the results of individual films.

During summer 2001, the initiative first tested in summer 2000 was repeated, which was intended to prevent the summertime drop in film releases. The films *Pearl Harbor* and *Shreck*, attracting over 106,000 spectators throughout cinemas in Turin, confirmed the success of the initiative, although there were still lower figures for summer with respect to the rest of the year.

Over the last five years, the number of cinemas showing new films in the regional capital increased from 38 active screens in 1997 to 52 in December 2001.

The percentage of cinemas in the city centre relative to the rest of the territory has decreased, as during the last three years the number of cinema screens outside the historical centre has increased from 18 in 1999 to 25 in 2001. However, despite the increase in sites, there has not been a significant increase in spectators, as this figure is largely influenced by the programme of films offered.

During 2001, the OCP monitored 32 cities in the region (including Turin), for a total of 166 screens. **There were over 7 million spectators** during the year, with the public spending a total of 74 billion Lire (over 38 million Euro).

After a two year period of constant decline, figures for cinema demand in Piedmont during 2001 reversed the trend with a 1% increase compared with 2000. Nonetheless, as Turin represents 45% of the spectators monitored, this assessment is strongly influenced by the size of the market in the regional capital. Excluding Turin from the calculations, a decrease of 0.5% is seen with respect to figures for 2000, confirming a substantially static overall picture.

2. RESOURCES

The balance for the cultural industry in Turin during 2000, as far as the sub-sectors monitored directly by the OCP are concerned, is approximately 1.4 billion Euro, which includes:

- **over 246 million Euro of public funding (State, region, Province and Municipalities);**
- **approximately 60 million Euro from bank-backed Foundations and from Councils for the evaluation of the artistic and cultural heritage;**
- **75 million Euro spent on live performance, cinema and ticket sales for exhibitions and museums (therefore excluding cultural product purchases, such as works of art, books, records, tapes, CD-ROMs, DVDs, hi-fis, etc.);**
- **878 million Euro of publishing industry sales;**
- **165 million Euro of audiovisual and multimedia industry sales.**

2.1 Public sector spending

During 2001 there was an increase in public sector spending on culture, confirming the trend of growth seen over previous years. It is estimated that overall approximately 246 million Euro of public funds was spent on culture in Piedmont during the year 2000.

However, this figure does not include a number of categories, such as:

- public works involving cultural heritage handled by councils other than those for culture;

- the quota of works which, despite regarding cultural activities and assets, are co-financed by other councils;
- extraordinary State funding for the recuperation of heritage (e.g. financing for the Reggia di Venaria);
- expenditure by municipalities with less than 15,000 inhabitants;
- resources for specialised or university libraries.

2.2 Woks funded by bank-backed Foundations and Councils

Resources for culture provided by bank-backed foundations and, to a lesser degree, by councils for the evaluation of the artistic and cultural heritage amounted to approximately 60 million Euro in 2000. This sum represents over 20% of public funding invested in the cultural sector.

In 2000, the Compagnia di San Paolo and the Cassa di Risparmio di Torino Foundation donated 43.9 million Euro to the arts (compared to 24.6 million Euro for the previous year), of which over 85% was destined for the Piedmont region.

Donations from other Piedmont-based bank-backed foundations estimated for that year totalled 9.8 million Euro.

Councils for the evaluation of the artistic and cultural heritage funded works for over 1 million Euro.

2.3 Employment

Applying figures from ISTAT surveys, which establish that approximately **2.4%** of the national work force is employed in the cultural sector, employment in culture in Piedmont for 2000 would be around **42,000**.

This figure includes:

- all professionals working in the arts (painters, sculptors, writers, photographers, graphic artists, directors, musicians, dancers etc.);
- “intermediate” professions in creative service industries (journalists, translators, TV announcers, and cinema, radio and TV technicians);
- the cultural industry, including publishing houses, music publishers and recorded media printing companies;
- libraries, museums and archives and arts-related education.

The OCP considers all these categories and selectively monitors and assesses the sub-categories of live performance, theatre, music and dance, publishing, audiovisual production, museums, libraries and archives.

The number of employees directly “observed” by the OCP in the aforementioned sectors for 2000 was approximately **8,000, which is substantially the same as the figure for 1999**. This figure, however, is an underestimate of the actual number of workers in culture, particularly in music.

Of all cultural occupation categories in the region, **publishing is still the subcategory with the greatest number of employees,** representing 35% of all employees (compared, however, with 42% in 1999), followed by museums and cultural activities which are practically in equivalent positions. These two categories were closely matched in 2000 by the audiovisual subcategory, which accounted for 4% more of the regional total than it did the previous year. The audiovisual industry is followed by libraries and archives, which represent approximately 14% of the monitored regional workforce.

Each subcategory monitored behaved differently: cultural activities, libraries and archives and museums increased slightly in comparison with 1999, but largely remained at previous levels. More accentuated activity was seen in the publishing industry, in which a decline was registered, and in the audiovisual industry, whose rapid growth already noted in the past was reconfirmed in 2000.

As far as distribution of employment throughout the provinces is concerned, the Turin province prevails strongly above the others, as the region’s larger cultural organisations, both in terms of employees and funds, are based there. It should be considered, however, that a proportion of the organisations accounting for the number of employees in the Turin province in actual fact operate throughout the entire region, and in some cases even nationally and internationally, although the figures for employment are only registered in the province of origin.
In comparison with 1999, the region’s cultural workforce has gravitated even more conspicuously to the Turin province: in part, this trend can be explained by the increase in employees in the audiovisual industry and by the reduction of employment in the publishing industry, which appear to have mainly affected other provinces.

3. CULTURAL PRODUCTION

Publishing production, with a revenue of over 850 million Euro and approximately 2,800 employees, continues to be the strongest hub of production in the cultural industry, despite having registered a deceleration in growth with respect to the previous two years.

Production rates of **live performance arts and cultural activities** have remained substantially stable whereas considerable growth was recorded in the number of employees (38%) and revenue (45%) for the **audiovisual industry**. The trend for growth seen in companies operating in the audiovisual industry, and in particular in more structured businesses, was mainly expressed in two ways: the acquisition of other companies in order to diversify activities performed and the achievement of dimensions sufficient to withstand competition in the national and international markets.

CONCLUSIONS

The high figures for numbers of visitors to museums in Turin and the growth seen in 2001 for museums in the rest of the region can be considered to be the results of several factors, such as investments in cultural assets, (involving both the actual buildings themselves and initiatives for their use), and more consolidated system policies.

While the results of a long period of investment into cultural assets are far from exhausted – simply consider the new opportunities which will open with the relocation of the Savoy Gallery, or the improvement work planned for the circuit of Savoy Residences – new resources still appear to be required in order to exceed the current (good) number of visitors achieved and to initiate new processes to increase demand for museums.

Better programming of events throughout the entire regional territory and, in general, more attention to organising the offer to meet the varied demands of the market, giving space to territorial identities, which could find an efficient means of promotion through cultural events, appear to represent the best way to reinforce demand both locally and beyond.

Other cultural activities and live performances also play equally strategic roles in this scheme of things. The establishment of entertainment circuits and the further development of festivals throughout the region are major goals. It is indeed a more incisive relationship with the territory itself that could become one of the keys to break the current situation, which appears to have stagnated in terms of public demand and consumption in these sectors.

This would not simply involve decentralising the offer in the region, but would also use entertainment, in its varied forms, to denote places, towns and territories throughout the region. The cultural offer would be used to differentiate and at the same time unite complementary facets, acting as a bond for cultural identity.