



COVID-19 CASE STUDY

Economic Impact on Broadway

TANNA^{inc.}
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THREE KEY LEARNINGS

Identifying where Broadway COVID-19 crisis has caused the most damage – revenue, labor, income, GDP



The multiplier effects of Broadway's longest shutdown



Past practices of previous shutdown recovery, plus an examination of financial aid available to venues and workforce

THE BROADWAY BUSINESS

Broadway is a vital sector of the U.S. economy



Broadway Audience

Over **14.8 million** people attend a Broadway production annually in NYC. Exceeds attendance of 10 of the 15-pro tri-state sports teams, combined. Tourists purchase two out of every three Broadway tickets, including **2.8M** annual international buyers.



Broadway-Related Travel Spending

Tourists spend an additional **\$8B** in direct purchases at restaurants, hotels, shops, and public transportation related to their performance.



Economic Impact

Broadway typically sells **\$1.83B** primary ticket sales. Estimated **\$350-\$400M** in additional annual secondary market sales. Broadway contributes over **\$16B** to the local NYC economy. Broadway tourism generates \$11B billion in taxable revenue for the city.



Employment Generator

A total of **96,000** jobs are maintained by the Broadway industry. This includes ~14,000 direct and ~83,000 indirect and induced jobs around NYC.

THE BROADWAY BUSINESS

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Ticket revenue has mostly increased every year since 2000, with the most dramatic spikes the last 5 years in part due to cultivating tourism, innovative ticketing strategies, and programming diversity.

- **\$1.163B** revenue increase (175%)
- Similarly, attendance has increased by **~2.9M people (24%)**

Broadway Revenue (NYC)



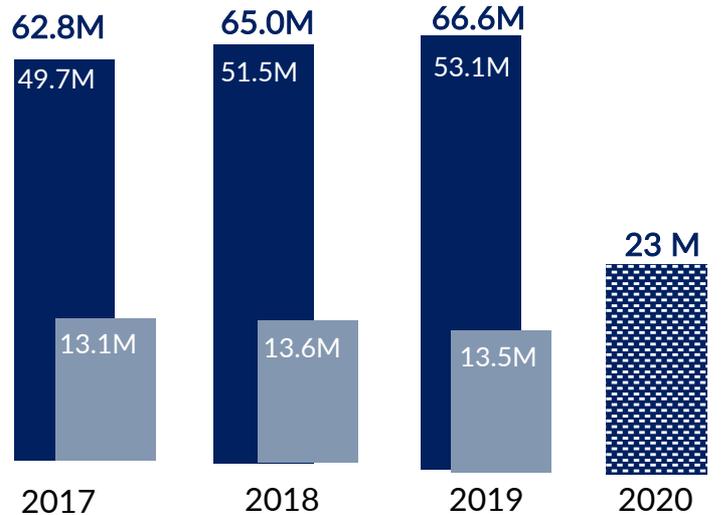
Source: The Broadway League

THE BROADWAY BUSINESS

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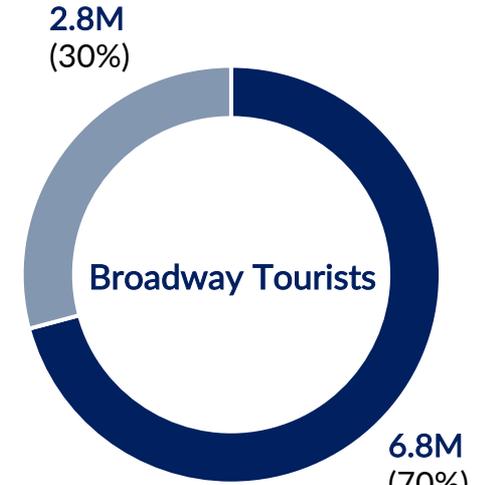
An increase in the number of tourists in New York City is a key contributor to Broadway's recent growth pre-pandemic.

- 66.1 million NYC visitors in 2019
9.55 million Broadway tourists
- Fewer than 23M visitors in 2020



- International NYC Tourism
- Domestic NYC Tourism

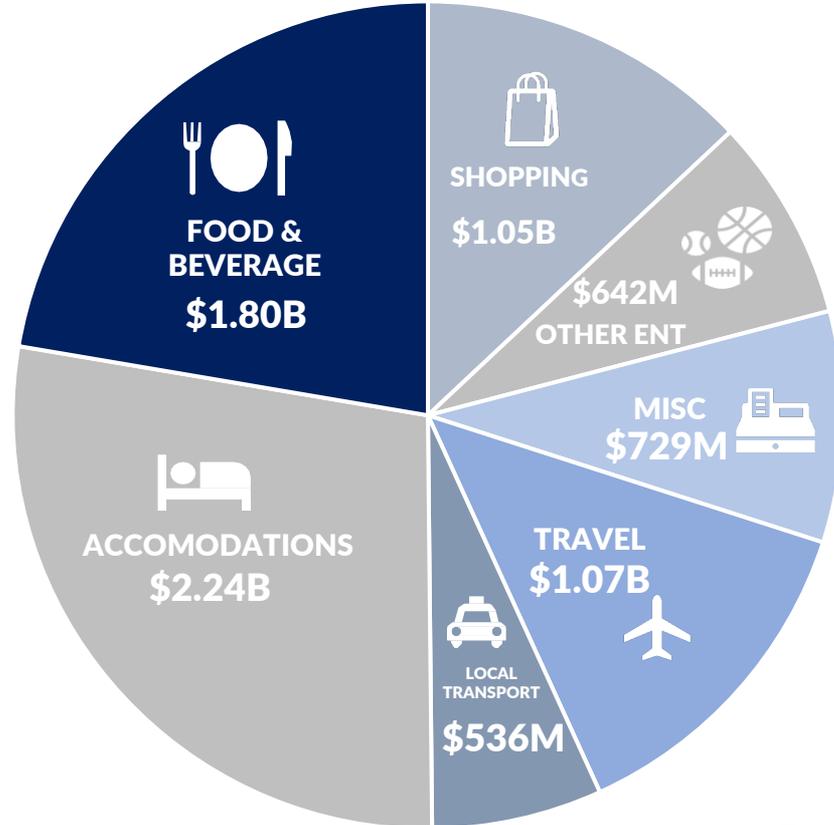
Sources: NYC & Co, The Broadway League



BROADWAY TRAVEL SPENDING

Purchases by tourists in NYC at restaurants, hotels, shops, and public transportation directly related to their Broadway ticket purchase.

- **3 days average stay for domestic visitors** when visiting to see a show in 2019. Foreign Broadway tourists stayed for around **6.7 days**.
- **8.5M tickets** were bought by visitors who considered Broadway the central reason for visiting NYC



TOURING BROADWAY

Presented in 200+ cities



Touring Audience

Over **18.5 million** people attend a Broadway show outside of NYC, or 25% more than attendance at Broadway shows. Touring Broadway attendees are regular theatregoers, averaging 5 shows/year.



Economic Impact

Tours typically beget an economic impact of **3.27x** the gross ticket sales to a local metropolitan area's economy. **~\$3.8B - \$4.1B** jolt across North America.



Fiscal Contributions

Broadway tours generate **\$1.60B** primary ticket sales. Estimated **\$500M+** in additional annual secondary market sales.



Employment Generator

A total of **~78,000 annual** direct jobs can be obtained thanks to Broadway tours. This includes travelling personnel, local workforce, & venue operations.

TOURING BROADWAY

Presented in 200+ cities

Ticket revenue has mostly increased over the past 20 years, with some yearly fluctuation sprinkled in based on strength-of-season & engagement lengths.

- **\$1.107B** revenue increase (210%)
- Attendance has increased by **~8M people (74%)**

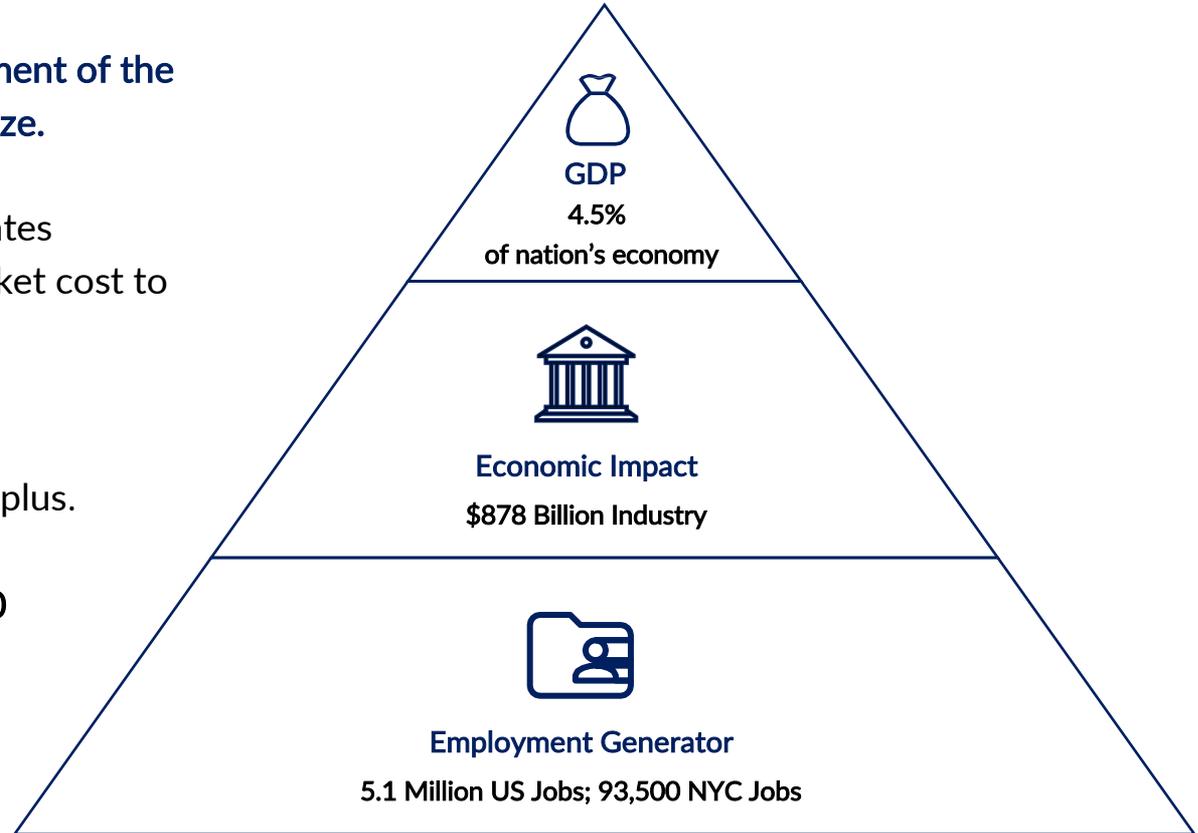
Touring Broadway Revenue



ARTS & CULTURE SECTOR

The arts represent a larger segment of the US economy that most people realize.

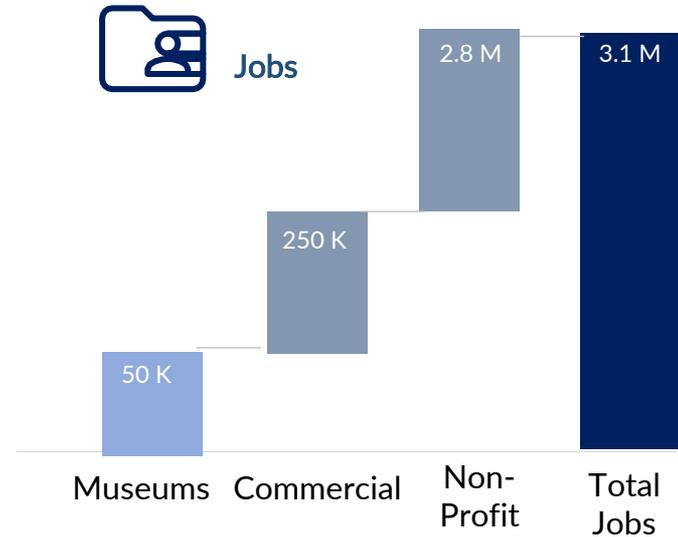
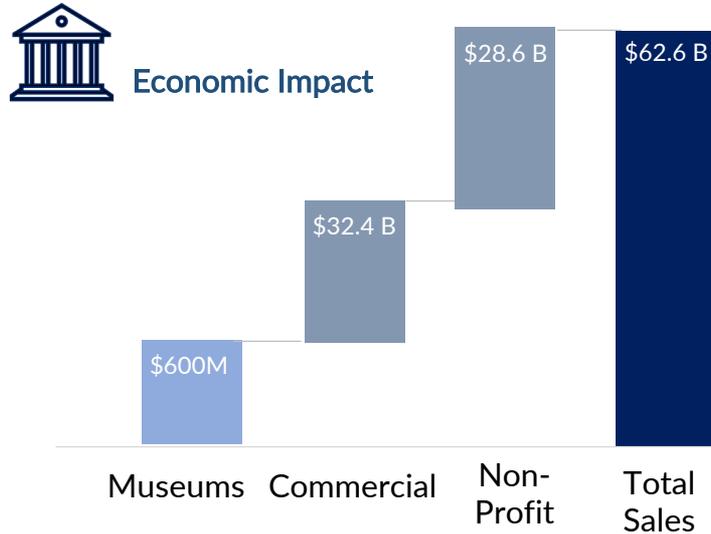
- Every visit to an arts event generates **\$31.47** per person beyond the ticket cost to economy.
- Pre-pandemic, arts celebrate a **\$30 billion** international trade surplus.
- **NYC** arts sector employed **93,500** people; NYC arts employment ↓ 66% Dec 2020 vs prior year.



COVID-19 IMPACT

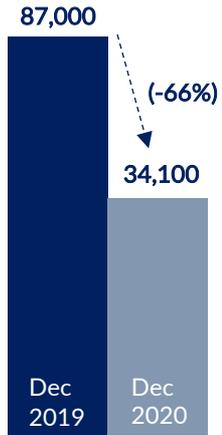
NATIONAL

A recent Brookings Institution report & Tanna, Inc show America's performing arts + fine arts will incur losses of **\$62.6 BILLION** and a whopping **3.1 million jobs**.

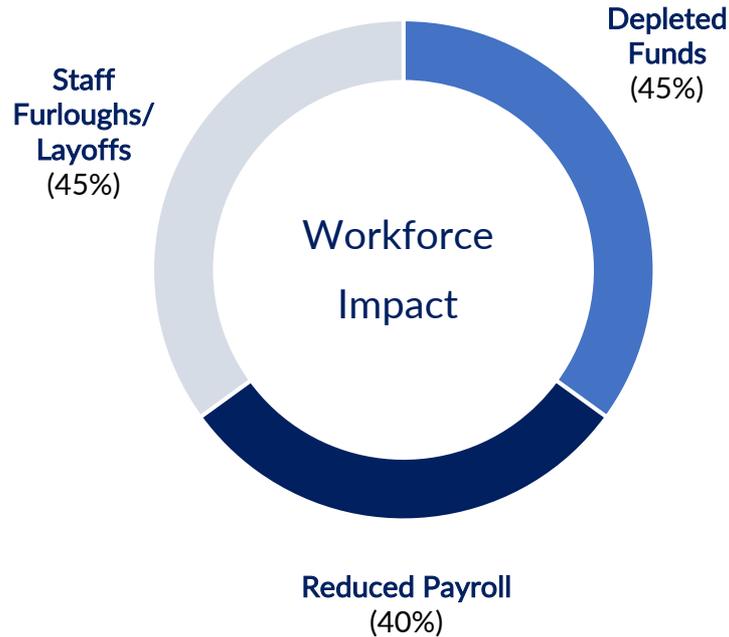


COVID-19 IMPACT

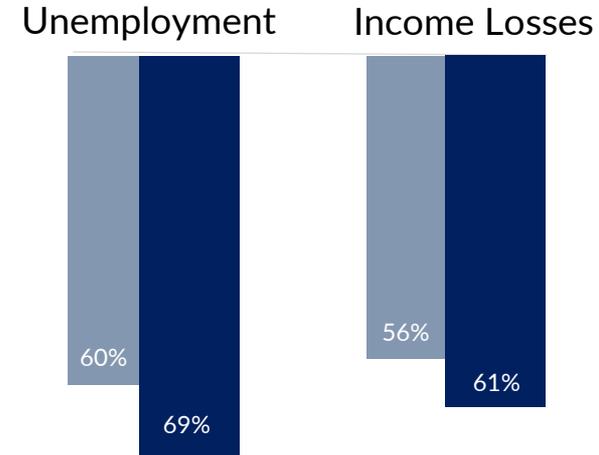
NYC ARTS JOBS



2019 v. 2020



BIPOC Artist Impact vs. White Artists



COVID-19 IMPACT

Estimates on Broadway Recovery

- COVID-19 quickly impacted Broadway during 2020 and will continue to have profound impacts throughout most of 2021 and beyond. The U.S. entered the early stages of a deep recession with steep employment and income losses. Recently passed **American Rescue Plan** is aimed to revitalize economy while providing additional vital financial relief to the arts.

Broadway currently suspended
through **May 2021**

Hopeful return for most shows
Fall 2021

Longest shutdown in the
history of Broadway (77+ weeks?)

COVID-19 IMPACT

		Broadway	Touring Broadway
	Performances Cancelled/Rescheduled	25,000	16,500
	Tickets Returned/Missed	21M	27M
	Lost Revenue	\$2.817B	\$2.631B
	Economic Impact	\$22.44B	\$5.75B
	Direct Jobs	14,000	8,000
	Indirect/Induced Jobs	83,000	70,000

Broadway: The Economic Impact of COVID-19

**Based on current projection of 77+ cancelled weeks: March 12, 2020 - Sept 5, 2021.*

PREVIOUS SHUTDOWN RECOVERY

Immediate business interruption impact.



Economics

Post-9/11 (2 days)



Visitor Spending: \$300 M
Ticket Sales: \$5M
Restaurants: \$6M



NYC INVESTMENT
Tickets: 50,000
Sales: \$2.5M
Promotion: \$1M

Long Term Loss : 4 years until International tourism reached pre-9/11 levels.

Labor Stoppages

1975 (25 days)

2003 (4 days)

2007 (18 days)



Impact: \$30M
Impact: \$28M
Impact: \$40M

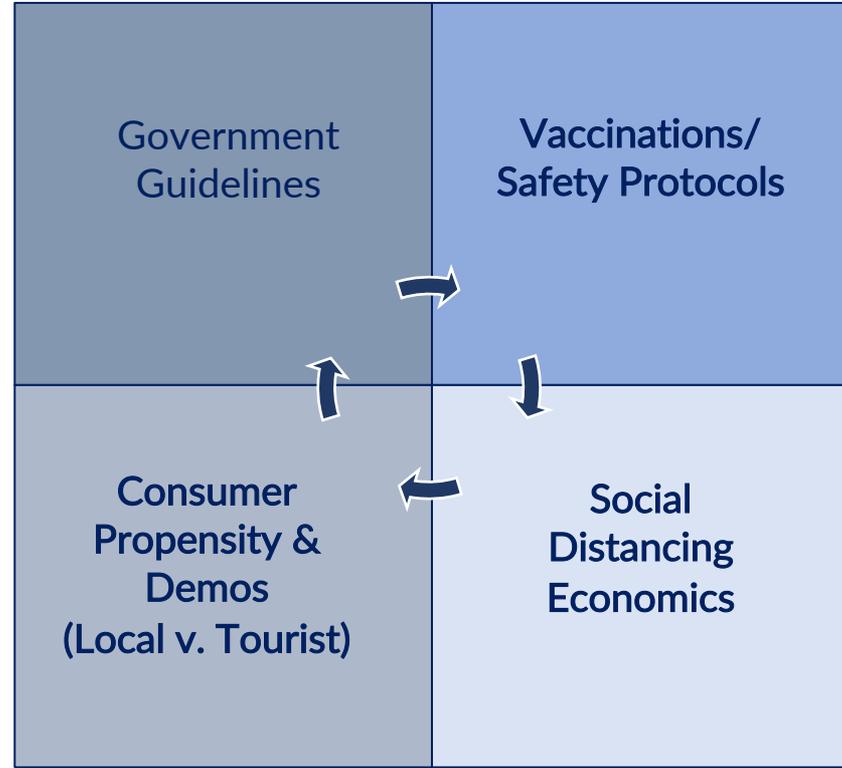


Next season rebound: 4%
Next season rebound: 7%
Next season rebound: 5%

COVID-19 IMPACT

Barriers to Re-Opening Broadway

- Volatility has long been a feature of Broadway before COVID, and not a recent bug.
- Government guidelines and restrictions, vaccination availability, health protocols, audience demographics, & current economics around reduced capacities, and profit risk around this new geometry are of significant concern.



COVID-19 IMPACT

NOTABLE FINANCIAL RELIEF TIMELINE:

Families First Coronavirus Response Act *March 2020*

- \$104B Paid Sick Leave + UI Insurance benefits for Workers and families.

[CARES] Act *March 2020*

- \$300B Economic Impact Payments
- +\$260B Increased UI Benefits
- +\$350B PPP (later increased to \$669B)
- Economic Injury Disaster Loans
- SBA Debt Relief
- Express Bridge Loan

Consolidated Appropriations Act *December 2020*

- Overall \$900B relief stimulus
- +\$325B SBA PPP
- + \$166B Stimulus Payments
- + \$120B UI Benefits
- +\$10B Childcare Payment
- Save Our Stages \$15B (renamed Shuttered Venue Operations Grant – SVO)

American Rescue Plan *March 2021*

- +Economic Impact Payments (\$1,400 per)
- Extended UI Benefits thru 9/6/21
- \$470 million earmarked for cultural organizations
- Child Tax Credit
- +\$7B PPP
- +\$1.25B (SVO)
- \$28.6B Restaurant/Bar grants

RESOURCES FOR A BETTER BROADWAY

COVID-19 RESPONSE CENTERS

ActorsFund.org

AmericansfortheArts.org

ArtistRelief.org

[Arts in Education Roundtable](https://ArtsinEducationRoundtable.org)
nycaieroundtable.org

BroadwayCares.org

CostumeIndustryCoalition.com

[Directors Emerg Relief Fund](https://DirectorsEmergReliefFund.org)
dramaleague.org

[God's Love We Deliver](https://GodsLoveWeDeliver.org)
glwd.org

[MusiCares](https://MusiCares.org)
grammy.com

OpeningAct.org

PEN.org

SpeakYourMind.org

BIPOC & LGBTQ Resources

[Broadway Advocacy Coalition](https://BroadwayAdvocacyCoalition.org)
bwayadvocacycoalition.org

[Black Table Arts](https://BlackTableArts.com)
blacktablearts.com

[Black Theatre Matters](https://BlackTheatreMatters.org)
blacktheatrematters.org

[Black Visions Collective](https://BlackVisionsCollective.org)
blackvisionsmn.org

[Black Voters Matter](https://BlackVotersMatter.org)
blackvotersmatterfund.org

[Color of Change](https://ColorofChange.org)
colorofchange.org

[LGBTQ Freedom Fund](https://LGBTQFreedomFund.org)
lgbtqfund.org

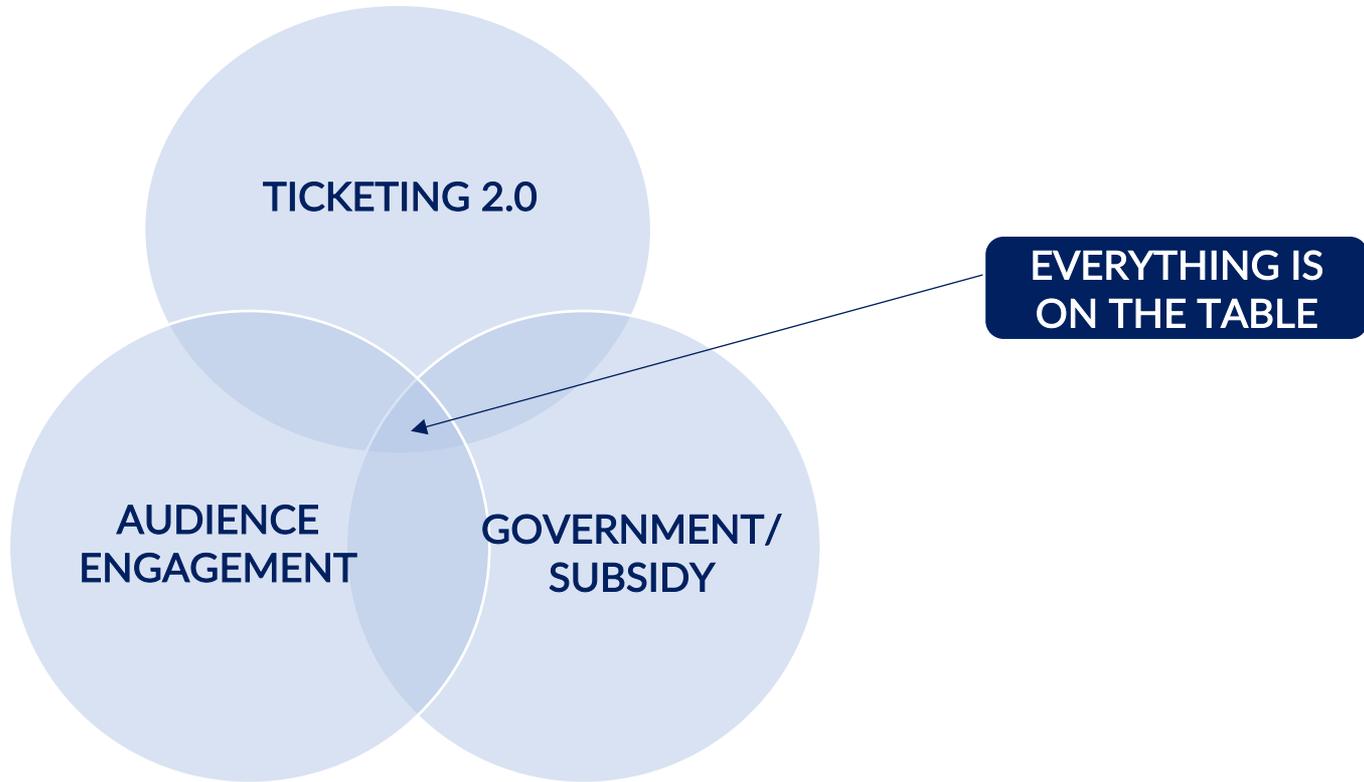
[Musicians United For Social Equity \(MUSE\)](https://MusiciansUnitedForSocialEquity.org)
museonline.org

[NAACP Legal Defense Fund](https://NAACPLegalDefenseFund.org)
naacpldf.org

[The Okra Project](https://TheOkraProject.com)
theokraproject.com

See more @ Tanninc.com

ROAD TO RECOVERY



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