

Cultural patronage and financing of French non-profit performing arts companies

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Abstract. Less growing public budgets and rising costs of production are incentives to increase cultural patronage since the mid-1980s in France. The goal of the paper is to deepen our understanding of the factors which may affect the attractiveness of the cultural patronage for the French theatrical and choreographic companies. The inter-art forms competition should favour cultural heritage and music. The growing intra-art form competition to attract patronage should reinforce the market power of nationally approved institutions. The data of a study on the choreographic companies and a Probit model using the data of a survey on the territories and resources of performing arts companies point out their main competitive advantages. Local anchorage and the involvement in artistic education can attract the patronage of local small enterprises if the companies are moving to understand their values and their image when they negotiate a partnership to support a device. Therefore, competition for private contributions is rather increasing the financial inequalities among non-profit performing arts companies.

Keywords: patronage, inequalities, competition, non-profit arts.

1. Introduction

According to Throsby (2001: 146), one of the three main shifts in cultural policy development in the post-war period concerns a withdrawal of state involvement and an increased influence of commercial sponsorship and private patronage. This trend reflects the general move towards market liberalisation during the eighties and the nineties in most liberal democratic countries whereas a new market-oriented regulation in Eastern and Central Europe has caused a main decrease in their public budgets.

France is less affected as the post-war process of decentralisation developed a financial involvement of both State and local authorities. In 2002, subsidies account for around 80% of the budget of those French performing arts organisations that are approved on a national scale. The share is about 40% for the theatrical, choreographic and musical companies which are grant-aided. (Urrutiaguer, 2005: 300). However, State cultural budget is less growing since the mid-1980s and local authorities are following since the early 1990s. Inter organizational competition increased, especially in Paris and the biggest cities. The sources of income have thus to be diversified to counterbalance the rises of wages and technical costs. The French

government enhances non-profit arts firms to develop their earned income by raising paying attendance, rents of the premises and their private contributed income.

In 2003 a law significantly increased the tax incentives for the charitable contributions of corporations and individuals. As Schuster (1987) noticed it, these tax incentives have to be seen as cultural policies and evaluated on their efficiency to achieve specific policy goals (Globerman, 1980) as compared to direct aid mechanisms. The purpose of this article is to deepen our understanding of the factors which may affect the attractiveness of the cultural patronage for the French theatrical and choreographic companies. The paper contributes therefore to a “*re-invigoration of the analysis of the positive and normative aspects of competitive interaction within the non-profit arts sector*” (Seaman, 2004).

Unfortunately, the detailed data on patrons’ expenditures are still scarce in France. Admicalⁱ is publishing a regular survey but the data are restricted to the global structure of corporate patronage, except for the last poll in 2014. Furthermore survey data are expected to be inflated since charitable donation is socially desirable (Fisher, 2000). Two national-scale surveys give more details. The *Centre National de la Danse* launched a questionnaire on the attitudes of choreographic companies, dancers and production offices towards patronageⁱⁱ. Second, I coordinated a national survey on the main territories and resources of French performing arts companiesⁱⁱⁱ (Urrutiaguer, Henry, 2012). A question was dedicated to their patronage resource.

I first present the main alterations to the French laws about the role of patronage as a complementary resource to State intervention since the eighties (Section 2). I then analyse the competitive disadvantages of the French theatrical and choreographic companies to develop cultural patronage. The inter-arts competition is favouring music, museums and heritage (Section 3). The increasing intra-art form competition reinforces the market power of the nationally approved stages. However, the data of the surveys on the strategy of French performing arts give some light on the factors to attract cultural patronage (Section 4).

2. The evolution of cultural patronage in France since the eighties

Before the vote of the 2003 law, which increased significantly tax expenditures, the French government estimated that global patronage accounted for 2.1% of the Gross Domestic Product in the USA against 0.09% in France in 2000 (Raffarin, 2002: 4). In 2002 the French cultural subsidies of state and local authorities represent about 0.8% of the GDP. They are

then highly exceeding private contributions^{iv}. In 2010, the structure of charitable giving in the United States was estimated to 73% for individuals, 14% for foundations, 8% for bequests and 5% for corporations. Nevertheless, the arts, culture and humanities represented only 5% of the contributions to all charities (Giving USA, 2011: 4, 8).

2.1 ADMICAL'S LOBBYING

As French capitalism is traditionally embedded in State, the relationships between managers of great public or private corporations and the high public administration are intensive. Rozier (2003: 58-59) notes a share of the main orientations for the state cultural policy and the managers' cultural patronage from the end of the 1970s to the mid-1990s. Jacques Rigaud has been the manager of Jacques Duhamel's cabinet, when he was Ministry of Cultural Affairs from 1971 to 1973, and the president of the private radio RTL for twenty years. He has been the president of Admical from its creation in 1979 to 2008. He promoted a model of partnership which may match the interests of corporations for their communication and cohesion, and State to face a growing artistic production (Rigaud, 2007: 27).

Admical's lobbying for more flexible laws surrounding tax incentives has been rather successful. In 1985 patronage is compared to publicity and deductible from taxed income. In 1987 a law "for the development of patronage" organised a distinction between patronage without expected compensations and sponsoring with attendant benefits. The deduction of corporate patronage from taxable income is limited to 0.225% of the turn-over if beneficiaries are organisations which are in the public interest. The upper limit is risen to 0.325% if the recipient is officially approved as being in the public interest. Tax cut is more important for sponsoring as it is classified as an expenditure of communication. From 1987 to 1991, the Ministry of Culture tested a matching grant, by giving a public support which is equal to private contribution, without success.

Rozier (2004: 37) highlights the tension between the Ministry of Culture, Admical in favour with a growing cultural patronage, and some more reluctant public administrations as the Ministry of Budget, the Home Office, the Council of State. The 1990 law authorized the creation of "business foundations" with restricted criteria. The founding company has to make a commitment for not less than five years with a minimum operating budget of €0.154 million and an initial endowment between €30,258 and €121,035 whereas a company may establish a foundation under the umbrella of the *Institut de France* or the *Fondation de France* with more flexibility (Sauvanet, 1999: 62). We may see it as an effect of the Council of State pressure to

limit patronage to the foundations which are officially recognised as being in the public interest at this period.

2.2 THE INCREASED TAX INCENTIVES

The 2003 law significantly increases tax incentives for patronage. They are now more attractive than in most liberal democratic countries. 60% of the corporate patronage is now deducted from the taxes in the limit of 0.5% of the turn-over. The article 238 bis of the General Tax Code recognizes that patrons may benefit from compensations, like free tickets or communication, to a limit of a quarter of their gift. The net cost of corporate patronage may therefore be restricted to 15% of the expenditure. As the tax rate for companies is 33.3%, the fiscal advantage is more than doubled. In the case of individuals, the deduction from taxes is risen from 50% of the gift to 60% within the limit of 20% of the taxable income, against 10% before, if beneficiaries are organisations of public interest^v. These gifts are also deductible from the inheritance taxes. The deduction of taxes is risen from €15,000 to €30,000 for gifts to the foundations. Official recognition of public interest is speeding up whereas the initial commitment for a creation of foundation is reduced. Following Rozier (2010: 60-61), we may infer that State is more delegating the choices of arts support to private patrons but is keeping an indirect control by defining the tax incentives.

According to Pelozza and Steel's literature review (2005), estimates for the elasticity of charitable giving relative to changes in the tax price of giving range from -7.07 to +.12. They estimate the weighted mean of the tax price elasticity of giving to -1.11 when they remove outliers more than three standard deviations from the mean. Rushton (2008: 295) quotes Bajinka and Heim (2008) who find a tax price inelasticity of giving. Their estimate, with respect to permanent changes in the tax-price, is -0.7 and is lower for temporary changes to taxes. The 2003 law has been firstly treasury efficient as corporate patronage increased slowly from €283 million in 1996 to €341 million in 2000 (Raffarin, 2002) whereas patronage of the corporations with more than 20 employees went up to €1 billion in 2005 (Admical, 2006: 29) and €2.5 billion in 2008 (Admical, 2008: 2). Fifty "corporate foundations" have been created from 1990 to 2003 whereas twelve are born in 2004 (Eshet, 2004: 10). Their number rose to 250 in 2007 (Seghers, 2007a: 28). Since 2002 90% of the contribution to the purchase of a "national treasure" by a national museum can be deduced from the income tax. The increasing tax expenditures reached an amount which is close to the public credits for the national purchases in 2008 (Rozier, 2010: 61).

However, charitable giving is sensitive to the economic growth. The French GDP in constant euro decreased of 2.9% in 2009. According to the Admical polls, the patronage of French companies over 20 employees has been 20% lower in 2010 than in 2008 (Admical, 2011: 3). The part of the patronage among these enterprises decreased from 31% in 2012 to 21% in 2014 (Admical, 2014: 8).

3. Cultural patronage and inter-art forms competition

Tax expenditures for patronage turn towards a growing part of private contributed income in the budget structure of non-profit organisations. This political choice develops competition to attract gifts. Admical polls confirm corporate cultural patronage is still focusing on two main poles: cultural heritage (museums, exhibitions and building preservation) and music with 69% and 12% of the corporate cultural budget respectively against 4% for the other performing arts in 2014 (Admical, 2014: 31).

The corporate patrons' cultural choices are rather unstable. For instance, the percentage of dance rose from 2.5 in 1998 to 4.5 in 2000 and to 5 in 2009 after a fall to 3.2 in 2005 while the part of theatre in 2000 (12%) is looking like exceptional (Admical, 2001, 2007, 2009). Corporate support is punctual for a significant part of their actions. Among the 44 respondents at the question on their duration of patronage in the survey of the *Centre national de la danse* (2007), 61.4% of the companies declared a punctual patronage, 27.3% signalled continuous partnerships and 11.3% both situations. The fluctuations do not actually question the fringe positions of theatre and dance in corporate cultural patronage.

Analysing corporate patrons' motivations is useful for furthering our understanding of the distribution of their gifts. Two main topics concern patrons' statements about their objectives and the inequalities of arts audience.

3. 1 CULTURAL PATRON'S MOTIVATIONS

First, most corporate patrons profess to support general interest for justifying their patronage. In 2014, the Admical poll points out this goal is first ranked for the enterprises under 250 employees and second ranked for the bigger ones (Admical, 2014: 10). Piquet and Tobelem (2006) noted the research of a social recognition explains a shift in patronage from culture to solidarity from the mid-1990s. Enterprises are more trying to enhance their image of responsible citizenship facing the negative effects of economic crisis and pollution. Popular actions are orientated to reinforce local social links, to diffuse better education, and to

enhance professional insertion, or health quality. In 2005 55% of the patron corporations supported actions for national and international solidarity, and 34% for culture against 38%, and 58% respectively in 2000 (Admical, 2001, 2006). In 2014, social actions concentrate 38% of the corporate patrons' budget against 16% for health, 13% for culture and 12% for research (Admical, 2014: 13)

Seghers (2007b) refers to Stegers' concept of "corporate diplomacy" to explain the logics of corporate private contributions. Patronage is a way to enhance the image of the enterprise towards consumers, associations, public authorities, and business partners. A better reputation is expected to reinforce the market power of the enterprise and the internal cohesion of employees. More competent candidates should be attracted for recruiting. Hence, corporations are more and more trying to involve their workers in patronage actions so that they may concretely share the inner culture. The Admical poll confirms the importance of this type of motivation. A second stated motivation is and their internal values. To enhance the image of the enterprise is third-ranked for the smallest enterprises (fewer than 10 employees) and those which are above 250 employees; second-ranked for the medium enterprises (between 10 and 250 employees). To personify the corporation's values is third-ranked for medium enterprises and first-ranked for the biggest ones (above 250 employees). Corporation gifts are also a usual way to construct relationships in the board of directors of foundations or great museums (Martel, 2006). To enhance the partnerships with local actors is second ranked by the smallest enterprises (Admical, 2014: 10). For instance, they are supporting sports clubs in their region more frequently (Admical, 2011: 51).

In the field of culture, the maintenance of built heritage and museums may be perceived as closer to these social concerns as they contribute to deepen identity roots. To associate a corporate brand with the preservation of historic memory is then productive for reputation investments and employees' implication. In 2008 30% of the French people who are older than 15 years visited a museum and 30% a monument at least during the last 12 months (Donnat, 2008: 187). It is the most popular cultural outing in Europe and the United States (Coulangeon, 2005: 90).

On a local scale, corporate patrons may be more sensitive for restoring built heritage than supporting cultural actions or artistic creations of unknown companies. The stakes are important as finance needs are estimated to €10.7 billion. 65% of the damaged buildings are staying in communes which have less than 2,000 inhabitants (Flouquet, 2008).

The competitive advantages of museums and monuments are reinforced by the workforce they can appoint to cultural patronage search. The *Musée du Louvre* is the most in advance. The estimates on the workforce are nevertheless diverging. In 2007, the unity of patronage development has 14 employees according to Carabalona (2007: 13) and 25 according to the museum president-director's assessment (Loyrette, 2007: 38). Tangible arts forms can also match more easily the logics of business as they are closer from investments.

Carabalona's inventory of the patronage to cultural public establishments received is a scarce survey with filer-data. Table 1 gives a synthetic view of the structure of collected patronage according to the three main subsidy programmes that LOLF^{vi} defines. Heritage is concerning fifteen public establishments, creations fifteen ones, and artistic education thirteen ones. However, we have to take these data with some caution as there are estimates from the General Direction of Affairs of the Ministry of Culture and are sometimes diverging from the sources of establishments.

Table 1 – The structure of the received patronage by cultural public establishments in 2005

	Heritage	Creations	Artistic education
Part in Ministry of Culture subsidies	53.63%	29.01%	17.36%
Part in cultural patronage	85.88%	12.09%	2.03%
Cultural patronage / (earned income and Ministry of Culture subsidies)	4.54%	1.48%	0.52%
Coefficient of variation ^{vii}	1.66	3.58	1.35

Source: DAG, Ministry of Culture (Carabalona, 2007: 27-29)

Table 1 shows a much stronger attraction of the establishments which are specialised in heritage. Whereas they concentrate 53.63% of the subsidies of the Ministry of Culture for cultural public establishments, they cumulate 85.88% of the gifts. The ratio between cultural patronage and the sum of earned income and subsidies of the Ministry of Culture is 4.54% against 1.48% for the establishments of creation and 0.52% in the field of artistic education. Among the fifteen establishments in the heritage programme, there are nine museums, one monument, the National Network of Museums and the National Centre of Monuments.

3.2 CULTURAL PATRONAGE AND ARTS AUDIENCE

We may suppose that the corporate patrons' cultural choices take into account potential paying arts audience. Museums offer a competitive advantage to attract cultural patronage as their zonal population of customers is wider than for most performing arts organisations with

the visits of national and international tourists. Day opening during the overall year, group visits with comments in native language, cultural legitimacy of classic visual works of arts are incentives to include museum visits in the tour-operator programmes usually. For instance, the *Musée du Louvre* audience increased from 8.4 million in 2010 to 9.7 million in 2012 and the part of foreigners is 69% (Louvre, 2013: 21). According Carabolana's inventory, the *Musée du Louvre* caught 40% of the patronage for the public cultural establishments in the heritage programme in 2005 (Carabalona, 2007: 26). A €30 billion contract has been notably firmed in 2006 with the Arabic United Emirates for the construction of a new museum whereas 33% of the patronage came from abroad in 2006^{viii} (Loyrette, 2007: 38). However, the new manager Jean-Luc Martinez withdrew his support to an autonomous department for patronage prospection. Contrary to Henri Loyrette, he preferred going back to a priority for conservation and a larger access to heritage with thematic exhibitions and cultural mediation.

Opposite, most performing arts shows are given at night within a restricted cycle whereas the season has several breaks during scholar holidays. Transport constraints limit the potential population of customers for an activity which is more time-intensive. The corporations are therefore expected to give a priority to support museums or monuments rather than performing arts if they are seeking a higher international visibility.

The disequilibrium between production and diffusion in performing arts is worsening their disadvantage as the cycle of performances per show is supposed generally decreasing. The number of companies strongly increased from the 1980s. This trend reflects the vitality of wishes for artistic creativity in the contemporaneous society as a way to explore more freedom in the process of identity building, especially among young people (Kaufman, 2004). This expansion has been supported by the specific regime of unemployment insurance. Intermittent artists and technical employees may cumulate working periods with several employers and phases of dole. The unemployment allowance is quite six times higher than social contributions and it accounted for half of the total individual income on average in 2007 (Charpin et al., 2008, Annexe I: 15). The deficit is borne by the contributions of all French enterprises. Then, the partial socialisation of professional risks attracted more intermittent employees, whose number has been multiplied around by 3 from 1990 to 2009 (Gouyon, Patureau, 2014: 2). This trend leads to a larger fragmentation of the artistic production with an increase of fringe companies. They are looking for a better symbolic and

economical recognition and have to present new shows to draw experts' attention. The gap between production and diffusion is then deepening^{ix}.

Nationally approved institutions are concerned. For national and regional drama centres, the mean of their produced shows increased from 4.3 in 1995-1996 to 5.3 in 2003-2004 whereas the mean of performances decreased from 12.2 to 11.3 at the theatre and from 24.6 to 19.3 on tour (Urrutiaguer, 2006: 12). The survey on French performing arts companies, except for musical groups, qualifies this statement according to the filler-data of the qualitative sample. The mean number of performances has increased by 13.5% in 2008 and by 29.6% in 2009. The cycle of the shows did not even decrease as the average number of performances by show increased by 13.7% in 2008 and 5.9% in 2009. The main worsening is linked to a trend in decreasing prices. The turnover^x per performance ratio is a proxy variable to estimate the mean price. It decreased by 15.8% in 2008 and 27.6% by 2009. One cause is the reduction of the cast for the light shows that the local authorities and the institutions ordered for sales events in the territory or for furthering the artistic and cultural decentralization with plays or dance shows "outside the auditorium". The ratio between the wages of artists and technicians and the number of performances is an indicator of the importance of the casting in the programmed shows. We may infer that nearly half of the price decrease is linked to smaller casts and the other half to a more intense competition. (Urrutiaguer, Henry, 2012: 171). The audience per performance may be therefore more confidential.

In performing arts, music is attracting much more patrons. The potential audience of concerts is more developed as 31% of the French people who are more than 15 years old attended at least one concert or a musical show against 16% for theatre or café-theatre in 2005 (Insee, 2005). The connections with cultural industries amplify the music audience as 75% of the French listened CD, discs or cassettes in 2005. A support to music will therefore provide more visibility than to dance or theatre.

4. Cultural patronage and intra-performing arts form competition

Heilbrun and Gray (2001: 118-119) compare performing arts market with monopolistic competition as there is a large number of sellers whose products are differentiated by their quality and the location of performance. Each seller may assume its pricing decisions without provoking a reaction from others. Although the characteristics of oligopoly are present in some cities when a few large institutions dominate the scene, firms are not involved in pricing

strategies on a national scale. Throsby and Withers (1979: 41-42) note that product differentiation and barriers to entry may confer market power to some organisations, especially when the possible shift towards less labour-intensive art forms is limited. In France the distribution of national labels at a series of institutions is strengthening a barrier to entry in non-profit performing arts as subsidies and official recognition of quality are unequally allocated.

Two main effects on intra-performing arts may be explored. First I will analyse the estimates of cultural patronage according to the survey on French performing arts companies.

4.1. THE CULTURAL PATRONAGE AND THE PERFORMING ARTS COMPANIES IN FRANCE

A question asked to the performing arts companies if they have got patronage in 2009 and from which contributor (foundation, corporations or/and individuals). Table 2 gives the structure of the beneficiaries of cultural patronage according to the type of contributors.

Table 2 – The repartition of companies according to the artistic disciplines and the source of patronage in 2009 (in %)

	Foundations	Foundation + corporations	Corporations + individuals	Corporations	Individuals	Global patronage
Theatre	4,8	0,0	3,3	5,1	4,0	17,2
Dance	5,5	0,9	1,8	8,3	6,4	22,9
Circus	0,0	2,9	0,0	2,9	2,9	8,6
Street arts	7	0	0	0	4	0
Puppets	0,0	2,9	0,0	2,9	0,0	5,9
Story telling	0,0	0,0	0,0	0,0	17,6	17,6
Multidiscip.	1,7	1,7	1,7	5,1	3,4	13,6
Total	4,0	0,7	2,1	4,9	4,5	16,3

Only 16.3% of the French performing arts companies attracted patronage in 2009. Street arts, puppets and circus are under-represented whereas the choreographic companies are the first ranked. The story tellers only captured individual patrons. The multidisciplinary companies are referring to several main disciplines for defining their artistic identity^{xi}.

A Probit model is appropriate to have a view on the factors that significantly influence the probability to collect patronage for the troupes without limiting to the impact of the artistic disciplines. The dependent variable Y is a dummy which is equal to 1 whether the respondent

attracted patronage and 0 otherwise. The model estimates the impact of a set of factors, gathered in a vector x , according to the responses to the questionnaire, so that

$$\text{Prob}(Y=1) = \Phi(x, \beta)$$

$\Phi(\cdot)$ is the cumulative distribution function of a standard normal random variable and β is the vector of coefficients. I firstly detail the significant variables in the questionnaire to the quantitative sample.

Principal Component Analysis (PCA) on the filer-data of the qualitative sample from 2007 to 2009 and the survey data of the quantitative sample in 2009 of the study on French performing arts companies shows that the most discriminating typology is based on the territorial barycentre of diffusion. Four groups are distinguished: the “regional” companies which perform quite exclusively in the region where their head office is set up; the “cross regional” troupes which favour their region but diffuse a significant part of their performances in national or international territories; the “multi regional” companies which diffuse the majority of their performances out of their region but keep a significant part in the region of their head office; the “out of region” troupes which declared the time of diffusion allocated to their region at the last rank or did not even prospect this area (Urrutiaguer, Henry, 2012: 42).

There are two continuous variables in table 3: the amount of budget in current euro and the number of performances the company sold in 2009 (another mode of diffusion is box office sharing). Three other significant variables are ordered variables. They are the rank of the State subsidies out of the Ministry of Culture and the rank of the subsidies of the commune in the different sources of public subsidies. The mark is varying from 4 for the first rank to 1 for the fourth rank or less and 0 if the company did not capture the category of subsidies. The third one is the rank of the national scale in the sources of coproduction. As we retained the regional, the national and the international scales, the mark is varying from 3 for the first rank to 1 for the last third rank or 0 if the company did not get coproduction from a national structure out of its region. All the other variables are dummies.

The number of observations is 569 as 3 data are lacking on the amount of budget. Since the LR chi2 is 76.46, the model is highly significant. The log likelihood is -214.987 and the pseudo R^2 is 0.151. A logistic regression is giving similar results with a pseudo R^2 of 0.15.

Table 3 – Probit estimates for the determinants of cultural patronage for performing arts companies in 2009

	Coefficient	Standard deviation	Z	P > z
Dance	.2668393	169457	1.57	0.115
“out of region”	-.6427879	3360325	-1.91	0.056
“cross regional”	-.3854733	.1453138	-2.65	0.008
Budget	1.44e-06	5.47e-07	2.63	0.009
performance selling	-.0049299	.0027331	-1.80	0.071
licence category 1	.9466857	.3211452	2.95	0.003
no agency	.3266356	.141434	2.31	0.021
subsidies of other ministries	.0968579	.0604868	1.60	0.109
subsidies of communes	.090034	.045258	1.99	0.047
regional convention	.3839421	.1991122	1.93	0.054
autonomous cultural action	.3225101	.1531717	2.11	0.035
residence in another place	.3724692	.1755691	2.12	0.034
administrative competences	.3634955	.1503955	2.42	0.016
work secondment	.3821865	.1803705	2.12	0.034
rank of national coproduction	-.2373954	-.0821763	2.89	0.004
Constant	-1.751163	-.2154212	8.13	0.000

First we may infer that the artistic disciplines are not the most discriminating variables. The coefficient of the choreographic companies, which are overrepresented in table 3, is not significant at the 10% level. The significance of the coefficients for the other artistic disciplines is logically worse. Table 3 gives therefore information on transversal determinants.

The variable “licence category 1” is the most significant one with a positive coefficient. This variable includes the companies which are also managing a stage for the diffusion of shows. The establishments of diffusion are therefore more attracting patrons than the only producers of shows.

Several estimates show that a local anchorage has a positive influence on patronage. The coefficients of the “cross regional” and of the “out of region” companies are significantly negative as for the rank of the national scale in coproduction. The coefficient of the State subsidies is insignificant for the Ministry of Culture and not significant at a 10% level for the

other ministries. Nevertheless the coefficient is positively significant at a 5% level for the rank of subsidies by the commune of the company address. We may suppose that the rank of the commune in the subsidies is higher for the companies which are more diffusing their shows in their region even though the coefficient of the dummy for “regional” troupes is not significant. The significantly positive coefficients for the regional conventions and for “autonomous cultural action” are supporting this assessment. Cultural action concerns two main topics: artistic awareness with meetings before and after the shows or conferences; educative actions with artistic practice training. The questionnaire asked whether cultural action is mainly organised according to the needs of managers’ cultural establishments and local authorities or whether the company mainly holds their conception. We may suppose that most companies which are developing autonomous cultural action are more involved in educative actions in their local environment without a permanent preoccupation to increase their paying audience.

The impact of the company size is rather unclear. The coefficient of the budget is highly positively significant whereas the coefficient of the absence of intermediary agency for production and/or diffusion is significantly positive and the coefficient of the number of the performances which are sold is negative. The threshold of significance is nevertheless of 7.1% for the latter variable whereas it is of 11.8% in the logistic regression. We may suppose that the involvement in local cultural action, notably for some companies which are managing a theatre, can be a factor to explain these contrasted estimates. The significant positive coefficient at the 5% level for “residence in another place” is rather coherent with this assumption. The respondents which declared another place for their residence pointed at specific places out of cultural and scholar establishments.

The questionnaire asked to the respondents what kind of non monetary help did they get in their relationships with other companies or cultural establishments or public intermediaries. The significant positive coefficients at a 5% level for the administrative competences and for work secondment may let us suppose that the patronage by competences played an important role for the beneficiaries.

4.2. THE CULTURAL PATRONAGE AND THE SEGMENTATION OF THE ARTISTIC OFFER

A growing cultural patronage should then reinforce the segmentation of the stratified networks of performing arts enterprises according their level of symbolic and economical recognition. In 2014, the enterprises over 250 employees represent 2% of the corporate

patrons but concentrate 56% of the corporate patronage. 58% of these biggest enterprises decided to support culture against 23% of the medium and 21% of the smallest corporations (Admical, 2014: 11, 16). We may suppose the big enterprises' support may increase the inequalities of firm market power in non-profit performing arts markets while the companies can draw resources for their local anchorage from small corporations.

Whereas the sustainability of most companies is unstable, nationally approved organisations may devote a part of their workforce to seek cultural patronage. They have the capacity to develop aggressive commercial strategies towards patrons, particularly by using the measure on compensations, which may represent a quarter of the gift. The presence of some workers with specialised knowledge on laws is a competitive advantage as compared to the companies which have to face their activities with a few polyvalent workers.

The survey of the *Centre National de la Danse* (2007) on dance companies supports this view on knowledge inequalities. Among the 101 responses, 43.6% have already got some patronage for at least one device and 28.7% tried without any success. 45.5% of the respondents did not know the difference between patronage and sponsoring. 9.9% stated knowing the 2003 law, 41.6% having a global knowledge whereas 41.6% ignored it and 6.9% did not answer to the question. Half of the companies searched information on patronage, especially with Internet and Admical guidebook. Only 28.7% of the dance companies created a file of contacts for their patrons' research. For the 69 companies which answered at the question on the person in charge of patronage search, 69.6% signalled the artistic manager, 47.8% the administrator, 11.6% the responsible of diffusion, 7.2% the responsible of production, 5.8% a member of the association whereas fringe cases concern a dancer or the residence structure (1.4% in both cases).

Furthermore, nationally approved organisations can offer to their patrons a better perspective for the visibility of their brand name than companies. Their official mission is to combine artistic excellence and democratisation. Hence, their artistic productions should tour on a national and international scale mostly. The number of performances is much higher. During the 2004-2005 season, the national mean was 338 for national theatres, 209 for drama centres, 108 for *scènes nationales* and 59 for national choreographic centres^{xii}, whereas the median was 30 for the theatrical troupes (Opale, 2006: 10) and 11 for dance companies respectively in 2005 and 2007 in Île-de-France (Arcadi, 2007: 14)^{xiii}.

Most companies can attract more easily local patrons whose motivation is to reinforce the social cohesion in their territory. Private contribution should then concern more local educative actions for the troupes. Several estimates of the Probit model in the table 3 show that a local anchorage with autonomous cultural action is a positive factor to catch patronage for the French performing arts companies. Global evolution of corporate patronage is valuing the cross sector approaches according to the Admical surveys. The corporations are aware of a potential negative image because of the economic crisis. Therefore they declared more interest for mixing a support to culture and solidarity by artistic education or creative experiences which associate popular people in outlying suburbs.

The survey of the *Centre national de la danse* confirms this view. Among 68 respondents, 42.6% of the dance companies contacted national or international corporations, 27.9% local enterprises, and 29.4% both. The success rate has been 48% for the former applications against 79% for contacts with local enterprises and 70% for both requests. As the largest dance companies are underrepresented in this enquiry, patronage seeking is then looking more efficient with local enterprises for small or medium size companies.

The questionnaire of the national survey asked to the respondents what kind of non monetary help did they get in their relationships with other companies or cultural establishments or public intermediaries. The significant positive coefficients at a 5% level for the administrative competences and for work secondment may let us suppose that the patronage by competences played an important role for the beneficiaries.

4.3 THE CHALLENGES FOR THE ORGANIZATIONAL CULTURES

To catch cultural corporate patronage requires a cultural transformation of both theatrical or choreographic companies and non-artistic enterprises. For the companies, the logic of partnership is shifting from searching a lump-sum subsidy to maintain the existence of the organization to the negotiation on a specific device which could satisfy both economical and managerial interests. Some artists may be reluctant to take into account the values and the image of the corporate patrons in their production. Patrons' preferences may modify the structure of subsidised artistic production. For instance, Feld, O'Hare, and Schuster (1983: 156) highlight the market distortions as cultural patronage encourages arts that please rich people. In the United States, they note that the poorest patrons are concentrating their gifts on religion whereas high income taxpayers are more attracted with arts.

Corporate or foundation involvement in cultural patronage requires that, at least, one of the persons in charge has a personal interest for the artistic or cultural plan. Sensitivity to the supported art form is necessary whereas the managers of non-profit organisations should develop a psychological approach of reciprocity to give him/her a feeling of self-accomplishment. The negotiation of compensations concerns the presence of the patron's logo in the information documents of the cultural organisation, the advantages given for public and professional patron's relationships, internal and external communication of the corporation.

However, the relationship may be unstable as the person in charge can quit his/her post, modify the choices because of a change in the group communication policy (Carabalona, 2007: 35). Globalization in economic world develops group fusions or acquisitions of enterprises, and more corporations are moving their factories. Corporate patronage is therefore significantly varying from one year to other^{xiv}.

The use of crowd funding digital platforms has recently increased to catch micro individual patronage. The theatrical and choreographic companies can invite donations from the public with a description of their artistic goals and the use of private funds. Kisskissbankbank is a dominant model for the non-profit organisations. The terms of exchange concern counter gifts as a show bill, an invitation to rehearsal or a performance or a meeting with the artistic team according to the amount of the financial gift. Kisskissbankbank selects the devices according to the viability of the demand and is not restricted to culture. In France in 2012, 600 devices on 1500 reached their financial objective on time and €300 million have been collected (Lescure, 2013: 602). Non-profit companies can rather easily reach the first circle of family and friends and get some complementary earnings if their plan and the counterparts are attractive enough. Nevertheless, an access to further circles requires corporate recognition and renown. Schuster (1985: 85) referred to a National Endowment of Arts list (1984) about the relative attractiveness of arts activities to private funding to show that private donors are more likely to support major museum exhibitions, opera, ballet, orchestras, large performing arts centres.

5. Concluding remarks

A more intensive inter-art forms competition should favour preserving cultural heritage, and supporting music. The increased intra-art form competition should reinforce the market power of the nationally approved institutions to the detriment of the companies which may develop the diversity of their activities with less valuable forms of cultural action. The brand name of

great museums, Opera and Comédie-Française is particularly attractive. The Probit model points out theatrical and choreographic companies can attract the patronage of small local enterprises with their common interest for a local anchorage. More patrons may wish mixing actions of solidarity and support to arts, especially in the field of education.

To preserve artistic pluralism raises the financial question of public contributions but also the issue of artistic education, which may shift the preferences towards more contemporaneous forms among patrons and overall audience. It raises also the question for a better symbolic and artistic recognition of amateur participation to support the social development of creativity and the artistic multi-activity (O'Hare, 2008).

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ⁱ Admical (Association for the Development of Industrial and Commercial Patronage) is a French association which defines itself as a crossroads for corporation patronage. From its creation in 1979, it has been lobbying to get more tax incentives. It coordinates the main network of the enterprises which are involved in patronage.

ⁱⁱ The questionnaire has been sent to 795 choreographic companies, dancers and production offices, which are listed by the Office of companies and the Department of trades in the *Centre national de la danse*. The Office of companies is in charge of the production and diffusion of choreographic shows whereas the Department of trades is giving information on the retraining process for professional dancers. The main mission of production offices is to facilitate the production of shows by bringing artists closer to networks of distribution.

ⁱⁱⁱ The Ministry of Culture financed the research about French performing arts companies except for musical groups. On one hand the methodology is based on 51 case studies with the administrator or artistic manager's interview and an access to the distribution of activities, accounts and wage declarations in 2007, 2008 and 2009. On the other hand, 572 companies answered to a questionnaire. It was mainly focused on the ranks of their activities in their timetable, of their resources and the weight of the regional, national and international territories in 2009.

^{iv} Own computation from the data of the Ministry of Culture, the cultural expenditures of other ministries and local authorities (in DEPS, 2006).

^v Nevertheless, the direct deductibility of gifts to performing arts organisations has been only granted on the 1st of January of 2008.

^{vi} LOLF is the Organic Law on Financial Laws which reorganised the rules to present budget according to policy objectives. The Ministry of Culture designed these three main topics.

^{vii} The coefficient of variation is the ratio between the standard deviation and the average of a distribution.

^{viii} Henri Loyrette points out that patronage from North America is sharply growing and reaches 22% of the overall in 2006. The "American Friends of Louvre" is seeking private contributions in the United States.

^{ix} For instance, Jean-Jérôme Raclot (2007: 116), who is managing a cultural town establishment without national label, explains he receives around 10,000 proposals of shows each year.

^x The turnover includes the transfer contracts and the box office revenues sharing.

^{xi} They represent 10% of our quantitative sample. Half of these companies are mixing theatre and dance.

^{xii} Own computation from Cardona, Lacroix (2007).

^{xiii} The median number of performances is similar in the survey on the territories and resources of the French performing arts companies in 2009.

^{xiv} In her tribune on the *Rue89* website, Benhamou (2008) quotes the examples of the withdrawal of Chevron Texaco from the support to the New York Metropolitan Opera in 2003 and Reader's Digest Association from contributions to the Metropolitan Museum of Art at the end of the nineties. The yearly cultural patronage around \$7 million of Altria (ex Philip Morris) in New York City may disappear as the corporation recently decided to

move to Richmond. Benhamou (2006: 159) remarks that the part of patronage in the purchase credits of French national museums rose from 2% in 1990 to 17% in 1999 but decreased to 7% in 2002.