

Hey, Big Spender!



In the Saanich bungalow where Polygon Homes Ltd. chair Michael Audain lived as a child, there was no art on the walls, only hunting trophies and family photos. But when he was 14 years old, Audain had an experience that would shape the rest of his life.

It was the summer of 1952. Audain was walking past Victoria’s Thunderbird Park, on his way home from swimming lessons at Crystal Garden pool, when he came upon legendary northwest coast carver Mungo Martin. The then-73-year-old Martin – born near Port Hardy and steeped in the rituals, songs and traditions of the Kwakwaka’wakw people – was replicating an old totem pole outside the Provincial Museum (now the Royal B.C. Museum). Audain stopped to watch and asked Martin what he was creating.

“What does it look like?” the artist said.

“It looks like a face, but I can’t tell if it’s animal or human,” Audain replied.

It turned out to be a bear, Audain recalls, but it was Martin’s stories about the deeper meaning in the work – the shamans and the shifting forms of the northwest coast – that still capture Audain’s imagination to this day. It was a “window into another world,” he says – and a revelation that sparked his lifelong passion for visual arts.

The busy developer recounts the story while gazing at the ocean view from Polygon’s offices on West Broadway in Vancouver. Paintings by B.C. artists such as Jack Shadbolt and Lawrence Paul Yuxweluptun line the walls, along with photos by Rodney Graham, Tim Lee and others. Audain, whose B.C. lineage extends over five generations and includes Robert Dunsmuir, B.C.’s wealthy 19th-century industrialist, sits back in his chair, closes his eyes and warms to one of his favourite topics. Art, he says, is taking up more and more of his time these days. His private foundation, the Audain Foundation for the Visual Arts, aims to support B.C. art and has pumped \$10 million over the last seven years into aboriginal arts initiatives, arts education and public gallery programming. Since 2004 Audain has also offered a yearly lifetime achievement award for B.C.’s visual artists; the award is now set at \$30,000. Past recipients include E.J. Hughes (2005), Eric Metcalfe (2006) and Jeff Wall (2008).

Audain is, by all accounts, the most important arts philanthropist living in B.C. today. In September alone, his foundation donated \$500,000 to the Art Gallery of Greater Victoria (AGGV) to establish an endowment for First Nations artists, and \$2 million to the Vancouver Art Gallery (VAG) for the purchase of work by emerging artists. Audain doesn't like the term philanthropist ("It's such a grandiose word"), but, no matter what you call them, wealthy patrons such as Audain – who has also served as a trustee with the VAG, the Vancouver Foundation and the National Gallery of Canada and as a member of the B.C. Arts Council – are an essential, and growing, part of B.C.'s arts community. Combined with an increasing reliance on blockbuster shows to boost ticket sales, philanthropic funding marks a dramatic shift in the way B.C. galleries and museums now pay their bills.

Historically, the route to sustainability for arts organizations has been through government coffers. Core operating funds for groups such as the Vancouver Symphony Society and the Vancouver Opera used to come largely from the federal and provincial government through the Canada Council for the Arts, Canadian Heritage and the B.C. Arts Council; municipalities would contribute to administrative budgets (and help fund civic infrastructure, including Vancouver's Queen Elizabeth and Orpheum theatres), while corporations would help out with marketing and public relations. But Mauro Vescera, director of special projects and programs in the arts at the Vancouver Foundation, says that the trend today is for public funds to move away from guaranteed long-term operational funding and toward one-time project funding. The lack of funds for operating costs means many smaller arts groups spend hours writing proposals, trying to cobble together enough money to pay for programming, as well as salaries and hydro bills. "For a mid-size theatre company, that's tough," says Vescera.

When the B.C. Arts Council started in 1996, the total grants budget for arts organizations and individual artists was only \$11.8 million; after 10 years, the allocation inched to \$14.1 million in 2005-06. That small increase left B.C.'s per capita arts council funding at seventh among the 10 provinces, with only Newfoundland, Prince Edward Island and New Brunswick contributing less. This year the province did heed the call for more money – but instead of boosting the allocation to \$32 million a year as arts lobby groups had demanded, it created a \$150-million endowment, which is expected to add only \$5 million to the annual pot. Federally, arts organizations aren't doing much better. A study prepared for the Canada Council in 2005 shows that England's arts council provided \$24.36 in arts grants per capita, whereas the Canada Council only shelled out \$4.73.

That's far above the \$0.44 per capita that the U.S.'s National Endowment for the Arts provides – but, unlike the States, in Canada most arts organizations still rely on government sources of funding. Compare the flagship galleries of Vancouver and Seattle. In 2005 the Seattle Art Museum received only four per cent of its \$18 million in operating revenue from government sources; 40 per cent was raised through contributions from individuals, foundations and corporations; 25 per cent was raised from earned income through admissions, store and café, while investment income, in-kind gifts and other sources made up the rest. By comparison, 27 per cent of the VAG's \$12-million

2006 budget came from government sources, 27 per cent from individuals, corporations and foundations, and 38 per cent from earned income.



Still, that's a big shift from 20 years ago, says VAG director Kathleen Bartels, when government funding covered 65 per cent of the yearly operating budget. "Overall operating budgets have grown as well, but we haven't seen governments keeping up," she says. Bartels has been trying to diversify revenue streams. Seven years ago, fresh from the Museum of Contemporary Art in Los Angeles, she was surprised to learn that the VAG had no major gifts category in its fundraising department. The highest individual donation category was \$1,500; now, she says, the gallery is seeking and securing gifts from individuals of more than \$200,000.

Under Bartels's direction, admission revenues have also doubled, thanks in large part to blockbuster summer shows such as 2007's Monet to Dali, which attracted 220,000 visitors. The story is similar in Victoria, where the Royal B.C. Museum (RBCM) 2007 exhibit Titanic, which showcased hundreds of artifacts from the sunken ocean liner, brought in an unprecedented crowd of more than 475,000 visitors during its six-month run. But these shows also come at considerable cost. According to RBCM CEO Pauline Rafferty, Titanic cost \$4.2 million to put on and made \$4.4 million in revenue – and those figures don't include staff time, such as security (which was on constant rotation) and extra customer service personnel (to handle lineups and answer questions). "The cost is high and the risk is high, but everyone benefits," argues Rafferty. "It's a huge economic driver." She backs her assertions up with a January 2008 report prepared for the museum by C.E. Wetton Associates that found the Titanic exhibit generated \$30.2 million in additional GDP for southern Vancouver Island.

Critics counter that blockbusters such as Monet to Dali and Titanic divert too much staff time. William Wood, an assistant professor in UBC's art history department, says populist temporary shows such as Krazy! – the VAG's 2008 ode to comic books, anime and graphic novels – deflect curators from the more important work of studying and displaying their own collections. "It's not a terribly good use of scholarship," he says. Other detractors have complained that there is no clear B.C. link to these shows and that curating with such a heavy reliance on imported attractions conditions the public into thinking that they don't need to come unless there is something splashy being advertised.

“Marketing and development have more clout than curators do,” warns Wood. “Curators don’t bring money in; they just spend it. So they’re not very useful.”

Wood also worries about how the pressure for ever-higher gate revenues affects an organization. It forces arts organizations to shift their focus from challenging the public to entertaining them, he says. But compared to what can be found in the mass media, “contemporary art is not all that entertaining.” And the more people who come, the higher the pressure on directors to top last year’s numbers, he argues. “It’s a real shift. It makes you dependent on shows that bring in a lot of people.”

Bartels disputes this claim, saying revenue generation is a factor in deciding on shows but that ensuring a diverse range of high-quality programming comes first. “People came to see Monet to Dali and were excited by Huang Yong Ping,” she says, referring to a Chinese contemporary artist showing at the same time. She also points out that the VAG’s mission includes giving British Columbians access to the world’s most important art, not just showing B.C. artists off to the world. “So many people who went through Monet to Dali, B.C. artists included, had never seen these paintings, except in textbooks.”

But even with expensive marketing campaigns supporting them, temporary exhibits don’t always live up to expectations. Mary Jo Hughes, chief curator at the AGGV, expects the summer 2008 Andy Warhol show to do well: opening night in May filled the gallery to capacity. Last year’s Rodin show, however, was a bust. It’s a matter of capturing the public’s imagination, says Hughes, noting that location has an impact as well. The AGGV is tucked away in the Moss Street residential neighbourhood for now, though the gallery is negotiating a \$10-a-year lease on land that is kitty-corner from the RBCM. With a new conference centre and a children’s museum also planned in the area, the move would create a cultural hub following the pattern of other B.C. cities, including Kelowna and Vancouver; AGGV CEO Shirley Madill says the new larger space would also allow the gallery to focus more on big imported shows.

Boosting box office receipts doesn’t work for all arts institutions. Smaller publicly funded galleries, such as Vancouver’s Contemporary Art Gallery (CAG) and Presentation House in North Vancouver, may feel pressure from funders to appeal to the broader public, but in reality they serve a different purpose. Along with artist-run centres, these galleries provide a place for artists to show work and not worry about commercial viability, says Keith Wallace, former CAG director and now editor of *Yishu*, a journal of contemporary Chinese art. For these types of galleries and museums, the benevolence of patrons like Audain is all the more important. “Most arts organizations are struggling to produce the shows they want to produce,” notes Wallace. Corporate support is one thing, but corporations usually want something in return, such as public relations exposure or access to markets.

Foundations such as Audain’s, however, are relatively rare, both in B.C. and Canada. According to the Foundation Center, a U.S. foundation think-tank, there are 71,000 private foundations south of the border. Revenue Canada cites 4,500 private foundations in Canada, with 663 of these in B.C., although not all of these give out grants. In 2006 the

top U.S. arts funder, the Pennsylvania-based Annenberg Foundation, pumped more than \$111 million into the arts (the top 50 arts funders divvied up more than \$1.3 billion), providing funds to places as diverse as the California African American Museum, the Paley Center for Media in New York City and the Paris Opera. In contrast, B.C.'s most active foundation, the Vancouver Foundation, distributed a mere \$8 million to arts over the same period.



Anne Focke at Grantmakers in the Arts, a Seattle-based group that publishes research on foundation activity, says tax laws in the U.S. help encourage the enormous outpouring of individual donations there, where gifts given to charities are tax-free. But thanks to Toronto-based philanthropist Don Johnson of BMO Nesbitt Burns, who lobbied for 12 years for a change in tax laws, Canadians now get better breaks too. When the 2006 federal budget was released, donors discovered they could give public stocks to registered charities without paying punishing capital-gains taxes, resulting in an extra \$300-million worth of donations being made within 10 months of the change. The Vancouver Foundation's Vescera adds that the B.C. Arts Renaissance Fund is another way private donors can get involved. Established in 2005 by the provincial government, the \$25-million fund, run by the Vancouver Foundation, matches contributions raised by B.C. arts groups to build permanent endowments. Funders usually like to see something concrete done with their money, says Vescera, so attracting contributions to endowments can be tricky. "But this way their donation is doubled."

The money is out there, says Audain – whose own private foundation can't keep up with the demand for his dollars – but what wealthy people need, he argues, is the right opportunity to get involved. "The challenge for those of us who care about the arts is to convince our fellow citizens that it's just as important to support culture as health and educational institutions." Arts and culture are sources of vitality for residents, visitors and the business community alike, he says, and he never stops seeking the thrill of discovery he felt at Thunderbird Park that day in 1952. As an example, he cites an upcoming trip to study ancient northwest coast art collections in Berlin. "As I get older, I'm able to take more time off from business – my partners allow me to do it – and spend more time focusing on what has become a major interest in my life."

Audain remains an avid collector, buying pieces he admires, such as the huge, brooding painting of the Jordan River by Takao Tanabe that hangs across from his desk. But he ultimately intends to donate all of it to public galleries and museums: “All the artworks are only temporarily in our custody.” Already two Jeff Wall light boxes, a 1932 painting by Jock Macdonald and more have gone to the VAG, and he recently presented an early 20th-century Kwakwaka’wakw potlatch figure to the U’mista Cultural Centre in Alert Bay.

As our talk comes to a close, Audain jumps to his feet to take a call on his private line. It’s about his bid at an upcoming art auction. He flips through a catalogue and speaks with certainty. “Yes, that one, just that one.” He won’t say what it is, but Audain has clearly answered the call for support from B.C.’s visual arts community. “Imagine a city or country without theatre or museums or a strong musical community,” he says. “It would be pretty boring.”

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